



Hundredth Legislature - First Session - 2007
Committee Statement
LB 334

Hearing Date: February 1, 2007
Committee On: Revenue

Introducer(s): (Dierks)

Title: Merge the Department of Property Assessment and Taxation with the Department of Revenue

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - X Advanced to General File with Amendments
 - Indefinitely Postponed
-

Vote Results:

8	Yes	Senators Burling, Cornett, Dierks, Janssen, Langemeier, Preister, Raikes and White
0	No	
0	Present, not voting	
0	Absent	

Proponents:
Senator Cap Dierks
Catherine Lang

Representing:
Introducer
Department of Property Assessment & Taxation

Opponents:
None

Representing:

Neutral:
Bob Wickersham
Greg Lemon

Representing:
Tax Equalization & Review Commission
Nebraska Tax Research Council, Inc.

Summary of purpose and/or changes:

LB 334 would amend more than 150 sections of statute to strike references to the “Department of Property Assessment and Taxation” and the “Property Tax Administrator” and replace them with the “Department of Revenue” or the “Tax Commissioner” respectively. The bill would merge the two departments and establish a Property Assessment Division within the Department of Revenue. The bill would be operative July 1, 2007.

Explanation of amendments, if any:

The Committee amendments retain the position of the Property Tax Administrator which would continue to be separately appointed, but to an indefinite term. The Property Tax Administrator would retain authority to develop the sales file, determine the value of centrally assessed entities, issue reports and opinions of the level of value to the Tax Equalization and Review Commission, produce assessment manuals and conduct courses for county assessors, set the adjusted value for purposes of school aid, and serve as the assessor for the nine state-assessed counties. The Property Tax Administrator would be the administrative head of the Property Assessment Division of the Department of Revenue.

The Tax Commissioner would promulgate all rules and regulations, develop all forms, and hear all administrative appeals of decisions of the Property Tax Administrator regarding value setting.

The Committee amendments also insert the provisions of LB 627 to amend section 77-103 and 77-105 to specifically exclude trade fixtures from the definition of real property (section 77-103), and include trade fixtures within the definition of personal property (section 77-105). Trade fixtures would be defined as machinery and equipment used directly in commercial, manufacturing, or processing activities. The degree of attachment to the real property would be irrelevant under LB 627 and the Committee amendment to LB 334.

Senator Ray Janssen, Chairperson