

LEGISLATURE OF NEBRASKA
NINETY-SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 294

Introduced by Hartnett, 45

Read first time January 11, 1999

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 77-3442, Revised Statutes Supplement, 1998; to change tax
3 levy limit provisions; and to repeal the original
4 section.

5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-3442, Revised Statutes Supplement,
2 1998, is amended to read:

3 77-3442. (1) Property tax levies for the support of
4 local governments for fiscal years beginning on or after July 1,
5 1998, shall be limited to the amounts set forth in this section
6 except as provided in this section and section 77-3444.

7 (2)(a) Except as provided in subdivision (2)(b) of this
8 section, school districts and multiple-district school systems may
9 levy a maximum levy of (i) one dollar and ten cents per one hundred
10 dollars of taxable valuation of property subject to the levy until
11 fiscal year 2001-02 and (ii) one dollar per one hundred dollars of
12 taxable valuation of property subject to the levy for fiscal year
13 2001-02 and all subsequent fiscal years. Excluded from this
14 limitation are amounts levied to pay for sums agreed to be paid by
15 a school district to certificated employees in exchange for a
16 voluntary termination of employment and amounts levied to pay for
17 special building funds and sinking funds established for projects
18 commenced prior to April 1, 1996, for construction, expansion, or
19 alteration of school district buildings. For purposes of this
20 subsection, commenced means any action taken by the school board on
21 the record which commits the board to expend district funds in
22 planning, constructing, or carrying out the project.

23 (b) Federal aid school districts may exceed the maximum
24 levy prescribed by subdivision (2)(a) of this section only to the
25 extent necessary to qualify to receive federal aid pursuant to
26 Title VIII of Public Law 103-382. For purposes of this
27 subdivision, federal aid school district means any school district
28 which receives ten percent or more of the revenue for its general

1 fund budget from federal government sources pursuant to Title VIII
2 of Public Law 103-382.

3 (3) Community colleges may levy a maximum levy on each
4 one hundred dollars of taxable property subject to the levy of (a)
5 eight cents for fiscal year 1998-99 and fiscal year 1999-2000 and
6 (b) seven cents for fiscal year 2000-01 and each fiscal year
7 thereafter.

8 (4) Natural resources districts may levy a maximum levy
9 of four and one-half cents per one hundred dollars of taxable
10 valuation of property subject to the levy.

11 (5) Educational service units may levy a maximum levy of
12 one and one-half cents per one hundred dollars of taxable valuation
13 of property subject to the levy.

14 (6) Incorporated cities and villages may levy a maximum
15 levy of forty-five cents per one hundred dollars of taxable
16 valuation of property subject to the levy plus an additional five
17 cents per one hundred dollars of taxable valuation to provide
18 financing for the municipality's share of revenue required under an
19 agreement or agreements executed pursuant to the Interlocal
20 Cooperation Act. The maximum levy shall include amounts levied to
21 pay for sums to support a library pursuant to section 51-201,
22 museum pursuant to section 51-501, visiting community nurse, home
23 health nurse, or home health agency pursuant to section 71-1637, or
24 statue, memorial, or monument pursuant to section 80-202.

25 (7) Sanitary and improvement districts which have been in
26 existence for more than five years may levy a maximum levy of forty
27 cents per one hundred dollars of taxable valuation of property
28 subject to the levy, and sanitary and improvement districts which

1 have been in existence for five years or less shall not have a
2 maximum levy.

3 (8) Counties may levy or authorize a maximum levy of
4 fifty cents per one hundred dollars of taxable valuation of
5 property subject to the levy, except that five cents per one
6 hundred dollars of taxable valuation of property subject to the
7 levy may only be levied to provide financing for the county's share
8 of revenue required under an agreement or agreements executed
9 pursuant to the Interlocal Cooperation Act. The maximum levy shall
10 include amounts levied to pay for sums to support a library
11 pursuant to section 51-201 or museum pursuant to section 51-501.
12 The county may allocate up to fifteen cents of its authority to
13 other political subdivisions subject to allocation of property tax
14 authority under subsection (1) of section 77-3443 and not
15 specifically covered in this section to levy taxes as authorized by
16 law which do not collectively exceed fifteen cents per one hundred
17 dollars of taxable valuation on any parcel or item of taxable
18 property. The county may allocate to one or more other political
19 subdivisions subject to allocation of property tax authority by the
20 county under subsection (1) of section 77-3443 some or all of the
21 county's five cents per one hundred dollars of valuation authorized
22 for support of an interlocal agreement or agreements to be levied
23 by the political subdivision for the purpose of supporting that
24 political subdivision's share of revenue required under an
25 agreement or agreements executed pursuant to the Interlocal
26 Cooperation Act. If an allocation by a county would cause another
27 county to exceed its levy authority under this section, the second
28 county may exceed the levy authority in order to levy the amount

1 allocated.

2 (9) Property tax levies for judgments obtained against a
3 political subdivision which require or obligate a political
4 subdivision to pay such judgment, to the extent such judgment is
5 not paid by liability insurance coverage of a political
6 subdivision, for preexisting lease-purchase contracts approved
7 prior to July 1, 1998, and for bonded indebtedness approved
8 according to law and secured by a levy on property are not included
9 in the levy limits established by this section.

10 (10) The limitations on tax levies provided in this
11 section are to include all other general or special levies provided
12 by law. Notwithstanding other provisions of law, the only
13 exceptions to the limits in this section are those provided by or
14 authorized by sections 77-3442 to 77-3444.

15 (11) Tax levies in excess of the limitations in this
16 section shall be considered unauthorized levies under section
17 77-1606 unless approved under section 77-3444.

18 (12) Amounts deducted by a county treasurer under
19 sections 14-554, 33-114, 46-136, and 77-3523 as a collection fee
20 shall not be included when determining the tax levy limits of the
21 political subdivision for which the money was collected.

22 Sec. 2. Original section 77-3442, Revised Statutes
23 Supplement, 1998, is repealed.