

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 309**

Introduced by Bostar, 29; Halloran, 33; Hansen, B., 16.

Read first time January 11, 2023

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-1736.06, Revised Statutes Cumulative Supplement, 2022; to change
- 3 an interest rate relating to property tax refunds; and to repeal the
- 4 original section.
- 5 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-1736.06, Revised Statutes Cumulative  
2 Supplement, 2022, is amended to read:

3           77-1736.06 The following procedure shall apply when making a  
4 property tax refund:

5           (1) Within thirty days of the entry of a final nonappealable order,  
6 an unprotested determination of a county assessor, an unappealed decision  
7 of a county board of equalization, or other final action requiring a  
8 refund of real or personal property taxes paid or, for property valued by  
9 the state, within thirty days of a recertification of value by the  
10 Property Tax Administrator pursuant to section 77-1775 or 77-1775.01, the  
11 county assessor shall determine the amount of refund due the person  
12 entitled to the refund, certify that amount to the county treasurer, and  
13 send a copy of such certification to the person entitled to the refund.  
14 Within thirty days from the date the county assessor certifies the amount  
15 of the refund, the county treasurer shall notify each political  
16 subdivision, including any school district receiving a distribution  
17 pursuant to section 79-1073 and any land bank receiving real property  
18 taxes pursuant to subdivision (3)(a) of section 18-3411, of its  
19 respective share of the refund, except that for any political subdivision  
20 whose share of the refund is two hundred dollars or less, the county  
21 board may waive this notice requirement. Notification shall be by first-  
22 class mail, postage prepaid, to the last-known address of record of the  
23 political subdivision. The county treasurer shall pay the refund from  
24 funds in his or her possession belonging to any political subdivision,  
25 including any school district receiving a distribution pursuant to  
26 section 79-1073 and any land bank receiving real property taxes pursuant  
27 to subdivision (3)(a) of section 18-3411, which received any part of the  
28 tax or penalty being refunded. If sufficient funds are not available, the  
29 county treasurer shall register the refund or portion thereof which  
30 remains unpaid as a claim against such political subdivision and shall  
31 issue the person entitled to the refund a receipt for the registration of

1 the claim;

2 (2) The refund of a tax or penalty or the receipt for the  
3 registration of a claim made or issued pursuant to this section shall be  
4 satisfied in full as soon as practicable. If a receipt for the  
5 registration of a claim is given:

6 (a) The governing body of the political subdivision shall make  
7 provisions in its next budget for the amount of such claim; or

8 (b) If mutually agreed to by the governing body of the political  
9 subdivision and the person holding the receipt, such receipt shall be  
10 applied to satisfy any tax levied or assessed by that political  
11 subdivision which becomes due from the person holding the receipt until  
12 the claim is satisfied in full;

13 (3) The county treasurer shall mail the refund or the receipt by  
14 first-class mail, postage prepaid, to the last-known address of the  
15 person entitled thereto. Multiple refunds to the same person may be  
16 combined into one refund. If a refund is not claimed by June 1 of the  
17 year following the year of mailing, the refund shall be canceled and the  
18 resultant amount credited to the various funds originally charged;

19 (4) When the refund involves property valued by the state, the Tax  
20 Commissioner shall be authorized to negotiate a settlement of the amount  
21 of the refund or claim due pursuant to this section on behalf of the  
22 political subdivision from which such refund or claim is due. Any  
23 political subdivision which does not agree with the settlement terms as  
24 negotiated may reject such terms, and the refund or claim due from the  
25 political subdivision then shall be satisfied as set forth in this  
26 section as if no such negotiation had occurred;

27 (5) In the event that the Legislature appropriates state funds to be  
28 disbursed for the purposes of satisfying all or any portion of any refund  
29 or claim, the Tax Commissioner shall order the county treasurer to  
30 disburse such refund amounts directly to the persons entitled to the  
31 refund in partial or total satisfaction of such persons' claims. The

1 county treasurer shall disburse such amounts within forty-five days after  
2 receipt thereof;

3 (6) If all or any portion of the refund is reduced by way of  
4 settlement or forgiveness by the person entitled to the refund, the  
5 proportionate amount of the refund that was paid by an appropriation of  
6 state funds shall be reimbursed by the county treasurer to the State  
7 Treasurer within forty-five days after receipt of the settlement  
8 agreement or receipt of the forgiven refund. The amount so reimbursed  
9 shall be credited to the General Fund; and

10 (7) For any refund or claim due under this section, interest shall  
11 accrue on the unpaid balance at the rate of fourteen ~~nine~~ percent  
12 beginning thirty days after the date the county assessor certifies the  
13 amount of refund based upon the final nonappealable order or other action  
14 approving the refund.

15 Sec. 2. Original section 77-1736.06, Revised Statutes Cumulative  
16 Supplement, 2022, is repealed.