

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 334

Introduced by Dierks, 40; at the request of the Governor;

Read first time January 11, 2007

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend
2 sections 18-2713, 23-1611, 49-506, 49-617, 57-239,
3 72-258.03, 76-214, 77-115, 77-120, 77-202.01, 77-202.05,
4 77-202.09, 77-361, 77-370, 77-374, 77-377, 77-414,
5 77-420, 77-421, 77-601, 77-602, 77-603.01, 77-604,
6 77-605, 77-607, 77-609, 77-616, 77-621, 77-623,
7 77-680, 77-681, 77-682, 77-683, 77-685, 77-686,
8 77-687, 77-689, 77-690, 77-691, 77-693, 77-701, 77-702,
9 77-705, 77-706, 77-709, 77-801.02, 77-802.01, 77-803,
10 77-804, 77-1216, 77-1233.06, 77-1245, 77-1247, 77-1248,
11 77-1249.01, 77-1250, 77-1250.02, 77-1250.03, 77-1250.04,
12 77-1250.05, 77-1301.01, 77-1306.01, 77-1329, 77-1332,
13 77-1334, 77-1339, 77-1340.01, 77-1346, 77-1371, 77-1374,
14 77-1376, 77-1377, 77-1601, 77-1613.01, 77-1615.01,

1 77-1735, 77-1736.06, 77-1749, 77-1750, 77-1763, 77-1766,
2 77-1775.01, 77-27,137, 77-3523, 77-3902, 77-3903,
3 77-3904, 77-3905, 77-3906, 77-3907, 77-3908, 77-4105,
4 77-5008, 77-5014, 77-5030, 79-1031, 81-101, 81-102,
5 and 81-15,102.01, Reissue Revised Statutes of Nebraska,
6 sections 11-201, 13-2507, 18-2117.01, 18-2147, 23-3202,
7 60-147, 60-3,189, 60-3,202, 77-202.02, 77-202.03,
8 77-202.04, 77-202.12, 77-202.13, 77-366, 77-422, 77-603,
9 77-612, 77-684, 77-801, 77-802, 77-802.02, 77-1229,
10 77-1249, 77-1311, 77-1311.02, 77-1327, 77-1330, 77-1331,
11 77-1333, 77-1340, 77-1342, 77-1345, 77-1355, 77-1363,
12 77-1392, 77-1504.01, 77-1507, 77-1514, 77-1775, 77-5007,
13 77-5027, 77-5028, 77-5029, 77-5725, 77-6006, 79-1065.02,
14 79-2102, 81-1401, 81-15,113.01, and 86-570, Revised
15 Statutes Cumulative Supplement, 2006, and sections 79-479
16 and 79-1016, Revised Statutes Cumulative Supplement,
17 2006, as affected by Referendum 2006, No. 422; to merge
18 the Department of Property Assessment and Taxation with
19 the Department of Revenue; to provide an operative date;
20 to repeal the original sections; to outright repeal
21 sections 77-415, 77-417, 77-704, 77-707, 77-708, and
22 81-109, Reissue Revised Statutes of Nebraska, and section
23 77-703, Revised Statutes Cumulative Supplement, 2006; and
24 to declare an emergency.

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

1 Section 1. Section 11-201, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 11-201 It shall be the duty of the Risk Manager:

4 (1) To prescribe the amount, terms, and conditions of
5 any bond or equivalent commercial insurance when the amount or
6 terms are not fixed by any specific statute. The Risk Manager, in
7 prescribing the amount, deductibles, conditions, and terms, shall
8 consider the type of risks, the relationship of the premium to
9 risks involved, the past and projected trends for premiums, the
10 ability of the Tort Claims Fund, the State Self-Insured Property
11 Fund, and state agencies to pay the deductibles, and any other
12 factors the manager may, in his or her discretion, deem necessary
13 in order to accomplish the provisions of sections 2-1201, 3-103,
14 8-104, 8-105, 9-807, 11-119, 11-121, 11-201, 11-202, 37-110,
15 48-158, 48-609, 48-618, 48-721, 48-804.03, 53-109, 54-191, 55-123,
16 55-126, 55-127, 55-150, 57-917, 60-1303, 60-1502, 71-222.01,
17 72-1241, 77-366, ~~77-703~~, 80-401.02, 81-111, 81-151, 81-8,128,
18 81-8,141, 81-1108.14, 81-2002, 83-128, 84-106, 84-206, and 84-801;

19 (2) To pass upon the sufficiency of and approve the
20 surety on the bonds or equivalent commercial insurance of all
21 officers and employees of the state, when approval is not otherwise
22 prescribed by any specific statute;

23 (3) To arrange for the writing of corporate surety
24 bonds or equivalent commercial insurance for all the officers and
25 employees of the state who are required by statute to furnish

1 bonds;

2 (4) To arrange for the writing of the blanket corporate
3 surety bond or equivalent commercial insurance required by this
4 section; and

5 (5) To order the payment of corporate surety bond or
6 equivalent commercial insurance premiums out of the State Insurance
7 Fund created by section 81-8,239.02.

8 All state employees not specifically required to give
9 bond by section 11-119 shall be bonded under a blanket corporate
10 surety bond or insured under equivalent commercial insurance for
11 faithful performance and honesty in an amount not to exceed one
12 million dollars.

13 The Risk Manager may separately bond any officer,
14 employee, or group thereof under a separate corporate surety bond
15 or equivalent commercial insurance policy for performance and
16 honesty pursuant to the standards set forth in subdivision (1) of
17 this section if the corporate surety or commercial insurer will not
18 bond or insure or excludes from coverage any officer, employee,
19 or group thereof under the blanket bond or commercial insurance
20 required by this section, or if the Risk Manager finds that the
21 reasonable availability or cost of the blanket bond or commercial
22 insurance required under this section is adversely affected by any
23 of the following factors: The loss experience, types of risks to be
24 bonded or insured, relationship of premium to risks involved, past
25 and projected trends for premiums, or any other factors.

1 Surety bonds of collection agencies, as required by
2 section 45-608, and detective agencies, as required by section
3 71-3207, shall be approved by the Secretary of State. The Attorney
4 General shall approve all bond forms distributed by the Secretary
5 of State.

6 Sec. 2. Section 13-2507, Revised Statutes Cumulative
7 Supplement, 2006, is amended to read:

8 13-2507 (1) A joint public agency shall have only those
9 powers of taxation as one or more of the participating public
10 agencies has and only as specifically provided in the agreement
11 proposing creation of the joint public agency, except that a
12 joint public agency shall not levy a local option sales tax.
13 Participating public agencies may agree to allow the joint public
14 agency to levy a property tax rate not to exceed a limit as
15 provided in the agreement if the agreement also limits the
16 levy authority of the overlapping participating public agencies
17 collectively to the same amount. The levy authority of a joint
18 public agency shall be allocated by the city or county as provided
19 in section 77-3443, and the agreement may require allocation of
20 levy authority by the city or county.

21 (2) If one or more of the participating public agencies
22 is a municipality, the agreement may allow any occupation or wheel
23 tax to be extended over the area encompassed by the joint public
24 agency at a rate uniform to that of the city or village for the
25 purpose of providing revenue to finance the services to be provided

1 by the joint public agency. The tax shall not be extended until
2 the procedures governing enactment by the municipality are followed
3 by the joint public agency, including any requirement for a public
4 vote.

5 (3) If the agreement calls for the allocation of property
6 tax levy authority to the joint public agency, the amount of the
7 allocation to the joint public agency and from each participating
8 public agency shall be reported to the ~~Property Tax Administrator.~~
9 Tax Commissioner.

10 Sec. 3. Section 18-2117.01, Revised Statutes Cumulative
11 Supplement, 2006, is amended to read:

12 18-2117.01 (1) On or before December 1 each year, each
13 city which has approved one or more redevelopment plans which are
14 financed in whole or in part through the use of tax-increment
15 financing as provided in section 18-2147 shall provide a report
16 to the ~~Property Tax Administrator~~ Tax Commissioner on each such
17 redevelopment plan which includes the following information:

18 (a) A copy of the redevelopment plan and any amendments
19 thereto if they have not been previously filed, including the date
20 upon which the redevelopment plan was approved, the effective date
21 for dividing the ad valorem tax as provided to the county assessor
22 pursuant to subsection (3) of section 18-2147, and the location and
23 boundaries of the property in the redevelopment project; and

24 (b) A short narrative description of the type of
25 development undertaken by the city or village with the financing

1 and the type of business or commercial activity locating within
2 the redevelopment project area as a result of the redevelopment
3 project.

4 (2) The ~~Property Tax Administrator~~ Tax Commissioner shall
5 compile a report for each active redevelopment project, based upon
6 information provided by the cities pursuant to subsection (1) of
7 this section and information reported by the county assessor or
8 county clerk on the certificate of taxes levied pursuant to section
9 77-1613.01. Each report shall be transmitted to the Clerk of the
10 Legislature not later than March 1 each year. The report may
11 include any recommendations of the ~~Property Tax Administrator~~ Tax
12 Commissioner as to what other information should be included in
13 the report from the cities so as to facilitate analysis of the
14 uses, purposes, and effectiveness of tax-increment financing and
15 the process for its implementation or to streamline the reporting
16 process provided for in this section to eliminate unnecessary
17 paperwork.

18 Sec. 4. Section 18-2147, Revised Statutes Cumulative
19 Supplement, 2006, is amended to read:

20 18-2147 (1) Any redevelopment plan as originally approved
21 or as later modified pursuant to section 18-2117, may contain a
22 provision that any ad valorem tax levied upon real property in
23 a redevelopment project for the benefit of any public body shall
24 be divided, for a period not to exceed fifteen years after the
25 effective date of such a provision by the governing body, as

1 follows:

2 (a) That portion of the ad valorem tax which is produced
3 by the levy at the rate fixed each year by or for each such
4 public body upon the redevelopment project valuation shall be paid
5 into the funds of each such public body in the same proportion as
6 are all other taxes collected by or for the body. When there is
7 not a redevelopment project valuation on a parcel or parcels, the
8 county assessor shall determine the redevelopment project valuation
9 based upon the fair market valuation of the parcel or parcels as
10 of January 1 of the year prior to the year that the ad valorem
11 taxes are to be divided. The county assessor shall provide written
12 notice of the redevelopment project valuation to the authority as
13 defined in section 18-2103 and the owner. The authority or owner
14 may protest the valuation to the county board of equalization
15 within thirty days after the date of the valuation notice. All
16 provisions of section 77-1502 except dates for filing of a protest,
17 the period for hearing protests, and the date for mailing notice
18 of the county board of equalization's decision are applicable
19 to any protest filed pursuant to this section. The county board
20 of equalization shall decide any protest filed pursuant to this
21 section within thirty days after the filing of the protest. The
22 county clerk shall mail a copy of the decision made by the county
23 board of equalization on protests pursuant to this section to the
24 authority or owner within seven days after the board's decision.
25 Any decision of the county board of equalization may be appealed

1 to the Tax Equalization and Review Commission, in accordance with
2 section 77-5013, within thirty days after the date of the decision;

3 (b) That portion of the ad valorem tax on real property
4 in the redevelopment project in excess of such amount, if any,
5 shall be allocated to and, when collected, paid into a special fund
6 of the authority to be used solely to pay the principal of, the
7 interest on, and any premiums due in connection with the bonds of,
8 loans, notes, or advances of money to, or indebtedness incurred by,
9 whether funded, refunded, assumed, or otherwise, such authority for
10 financing or refinancing, in whole or in part, the redevelopment
11 project. When such bonds, loans, notes, advances of money, or
12 indebtedness, including interest and premiums due, have been paid,
13 the authority shall so notify the county assessor and county
14 treasurer and all ad valorem taxes upon taxable real property in
15 such a redevelopment project shall be paid into the funds of the
16 respective public bodies; and

17 (c) Any interest and penalties due for delinquent taxes
18 shall be paid into the funds of each public body in the same
19 proportion as are all other taxes collected by or for the public
20 body.

21 (2) The governing body shall not implement any plan
22 containing a provision dividing ad valorem taxes as provided in
23 subsection (1) of this section until such time as the real property
24 in the redevelopment project is within the corporate boundaries of
25 the city.

1 (3) Beginning August 1, 2006, all notices of the
2 provision for dividing ad valorem taxes shall be sent by the
3 authority to the county assessor on forms prescribed by the
4 ~~Property Tax Administrator.~~ Tax Commissioner. The notice shall be
5 sent to the county assessor on or before August 1 of the year
6 of the effective date of the provision. Failure to satisfy the
7 notice requirement of this section shall result in the taxes, for
8 all taxable years affected by the failure to give notice of the
9 effective date of the provision, remaining undivided and being
10 paid into the funds for each public body receiving property taxes
11 generated by the property in the redevelopment project. However,
12 the redevelopment project valuation for the remaining division of
13 ad valorem taxes in accordance with subdivisions (1)(a) and (b) of
14 this section shall be the last certified valuation for the taxable
15 year prior to the effective date of the provision to divide the
16 taxes for the remaining portion of the fifteen-year period pursuant
17 to subsection (1) of this section.

18 Sec. 5. Section 18-2713, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 18-2713 Before adopting an economic development program,
21 a city shall submit the question of its adoption to the registered
22 voters at an election. The governing body of the city shall order
23 the submission of the question by filing a certified copy of
24 the resolution proposing the economic development program with the
25 election commissioner or county clerk not later than forty-one

1 days prior to a special election or not later than fifty days
2 prior to a primary or general election. The question on the ballot
3 shall briefly set out the terms, conditions, and goals of the
4 proposed economic development program, including the length of time
5 during which the program will be in existence, the year or years
6 within which the funds from local sources of revenue are to be
7 collected, the source or sources from which the funds are to be
8 collected, the total amount to be collected for the program from
9 local sources of revenue, and whether the city proposes to issue
10 bonds pursuant to the Local Option Municipal Economic Development
11 Act to provide funds to carry out the economic development program.
12 The ballot question shall also specify whether additional funds
13 from other noncity sources will be sought beyond those derived from
14 local sources of revenue. In addition to all other information,
15 if the funds are to be derived from the city's property tax, the
16 ballot question shall state the present annual cost of the economic
17 development program per ten thousand dollars of assessed valuation
18 based upon the most recent valuation of the city certified to the
19 ~~Property Tax Administrator~~ Tax Commissioner pursuant to section
20 77-1613.01. The ballot question shall state: "Shall the city of
21 (name of the city) establish an economic development program as
22 described here by appropriating annually from local sources of
23 revenue \$..... for years?". If the only city revenue
24 source for the proposed economic development program is a local
25 option sales tax that has not yet been approved at an election, the

1 ballot question specifications in this section may be repeated in
2 the sales tax ballot question.

3 If a majority of those voting on the issue vote in
4 favor of the question, the governing body may implement the
5 proposed economic development program upon the terms set out in
6 the resolution. If a majority of those voting on the economic
7 development program vote in favor of the question when the only
8 city revenue source is a proposed sales tax and a majority of those
9 voting on the local option sales tax vote against the question,
10 the governing body shall not implement the economic development
11 program, and it shall become null and void. If a majority of those
12 voting on the issue vote against the question, the governing body
13 shall not implement the economic development program.

14 Sec. 6. Section 23-1611, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 23-1611 The Auditor of Public Accounts shall establish a
17 uniform system of accounting for all county officers. The system,
18 when established, shall be installed and used by all county
19 officers, except that any county with a population of one hundred
20 thousand or more inhabitants may use an accounting system that
21 utilizes generally accepted accounting principles. With the prior
22 approval of the ~~Property Tax Administrator,~~ Tax Commissioner, the
23 county board of any county may direct that for all purposes of
24 assessment of property, and for the levy and collection of all
25 taxes and special assessments, there shall be used only individual

1 ledger sheets or other tax records suitable for use in connection
2 with electronic data processing equipment or other mechanical
3 office equipment, to be used in accordance with procedures to
4 be approved by the ~~Property Tax Administrator.~~ Tax Commissioner.
5 To the extent practicable, the accounting system established for
6 county officers shall be the same system established for state
7 agencies.

8 Sec. 7. Section 23-3202, Revised Statutes Cumulative
9 Supplement, 2006, is amended to read:

10 23-3202 No person, except the ~~Property Tax Administrator~~
11 Tax Commissioner performing the assessment function pursuant to
12 section 77-1340, shall be eligible to file for, be appointed to, or
13 hold the office of county assessor or serve as deputy assessor in
14 any county of this state unless he or she holds a county assessor
15 certificate issued pursuant to section 77-422.

16 Sec. 8. Section 49-506, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 49-506 After the Secretary of State has made the
19 distribution provided by section 49-503, he or she shall deliver
20 additional copies of the session laws and the journal of the
21 Legislature pursuant to this section in print or electronic format
22 as he or she determines, upon recommendation by the Clerk of the
23 Legislature and approval of the Executive Board of the Legislative
24 Council.

25 One copy of the session laws shall be delivered to

1 the Lieutenant Governor, the State Treasurer, the Auditor of
2 Public Accounts, the Reporter of the Supreme Court and Court of
3 Appeals, the State Court Administrator, the State Fire Marshal,
4 the Department of Administrative Services, the Department of
5 Aeronautics, the Department of Agriculture, the Department of
6 Banking and Finance, the State Department of Education, the
7 Department of Environmental Quality, the Department of Insurance,
8 the Department of Labor, the Department of Motor Vehicles, ~~the~~
9 ~~Department of Property Assessment and Taxation,~~ the Department
10 of Revenue, the Department of Roads, the Department of Veterans'
11 Affairs, the Department of Natural Resources, the Military
12 Department, the Nebraska State Patrol, the Nebraska Commission
13 on Law Enforcement and Criminal Justice, each of the Nebraska
14 state colleges, the Game and Parks Commission, the Nebraska
15 Library Commission, the Nebraska Liquor Control Commission, the
16 Nebraska Accountability and Disclosure Commission, the Public
17 Service Commission, the State Real Estate Commission, the Nebraska
18 State Historical Society, the Public Employees Retirement Board,
19 the Risk Manager, the Legislative Fiscal Analyst, the Public
20 Counsel, the materiel division of the Department of Administrative
21 Services, the State Records Administrator, the budget division
22 of the Department of Administrative Services, the Department of
23 Health and Human Services, the Department of Health and Human
24 Services Regulation and Licensure, the Department of Health and
25 Human Services Finance and Support, the Tax Equalization and Review

1 Commission, the inmate library at all state penal and correctional
2 institutions, the Commission on Public Advocacy, and the Library of
3 Congress; two copies to the Governor, the Secretary of State, the
4 Nebraska Workers' Compensation Court, the Commission of Industrial
5 Relations, and the Coordinating Commission for Postsecondary
6 Education, one of which shall be for use by the community colleges;
7 four copies to the Nebraska Publications Clearinghouse; five copies
8 to the Attorney General; nine copies to the Revisor of Statutes;
9 sixteen copies to the Supreme Court and the Legislative Council;
10 and thirty-five copies to the University of Nebraska College of
11 Law.

12 One copy of the journal of the Legislature shall be
13 delivered to the Governor, the Lieutenant Governor, the State
14 Treasurer, the Auditor of Public Accounts, the Reporter of the
15 Supreme Court and Court of Appeals, the State Court Administrator,
16 the Nebraska State Historical Society, the Legislative Fiscal
17 Analyst, the Tax Equalization and Review Commission, the Commission
18 on Public Advocacy, and the Library of Congress; two copies to
19 the Secretary of State, the Commission of Industrial Relations,
20 and the Nebraska Workers' Compensation Court; four copies to the
21 Nebraska Publications Clearinghouse; five copies to the Attorney
22 General and the Revisor of Statutes; eight copies to the Clerk
23 of the Legislature; thirteen copies to the Supreme Court and the
24 Legislative Council; and thirty-five copies to the University of
25 Nebraska College of Law. The remaining copies shall be delivered

1 to the State Librarian who shall use the same, so far as required
2 for exchange purposes, in building up the State Library and in the
3 manner specified in sections 49-507 to 49-509.

4 Sec. 9. Section 49-617, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 49-617 The Revisor of Statutes shall cause the statutes
7 to be printed. The printer shall deliver all completed copies to
8 the Supreme Court. These copies shall be held and disposed of by
9 the court as follows: Sixty copies to the State Library to exchange
10 for statutes of other states; five copies to the State Library
11 to keep for daily use; not to exceed twenty-five copies to the
12 Legislative Council for bill drafting and related services to the
13 Legislature and executive state officers; as many copies to the
14 Attorney General as he or she has attorneys on his or her staff;
15 as many copies to the Commission on Public Advocacy as it has
16 attorneys on its staff; up to sixteen copies to the State Court
17 Administrator; ~~twelve~~ thirteen copies to the Tax Commissioner;
18 eight copies to the Nebraska Publications Clearinghouse; six copies
19 to the Public Service Commission; four copies to the Secretary of
20 State; four copies to the Clerk of the Legislature for use in his
21 or her office and three copies to be maintained in the legislative
22 chamber, one copy on each side of the chamber and one copy at the
23 desk of the Clerk of the Legislature, under control of the sergeant
24 at arms; three copies to the Auditor of Public Accounts; two copies
25 each to the Governor of the state, the Chief Justice and each

1 judge of the Supreme Court, each judge of the Court of Appeals,
2 the Clerk of the Supreme Court, the Reporter of the Supreme Court
3 and Court of Appeals, the Commissioner of Labor, and the Revisor
4 of Statutes; one copy each to the Secretary of State of the United
5 States, each Indian tribal court located in the State of Nebraska,
6 the library of the Supreme Court of the United States, the Adjutant
7 General, the Air National Guard, the Commissioner of Education,
8 the State Treasurer, the Board of Educational Lands and Funds, the
9 Director of Agriculture, the Director of Administrative Services,
10 the Director of Aeronautics, the Director of Economic Development,
11 the director of the Public Employees Retirement Board, the
12 Director-State Engineer, the Director of Banking and Finance, the
13 Director of Insurance, the Director of Motor Vehicles, ~~the Property~~
14 ~~Tax Administrator,~~ the Director of Veterans' Affairs, the Director
15 of Natural Resources, the Director of Correctional Services, the
16 Nebraska Emergency Operating Center, each judge of the Nebraska
17 Workers' Compensation Court, each judge of the Commission of
18 Industrial Relations, the Nebraska Liquor Control Commission, the
19 State Real Estate Commission, the Tax Equalization and Review
20 Commission, the secretary of the Game and Parks Commission, the
21 Board of Pardons, the Department of Health and Human Services, the
22 Department of Health and Human Services Regulation and Licensure,
23 the Department of Health and Human Services Finance and Support,
24 each state institution under the Department of Health and Human
25 Services, each state institution under the State Department of

1 Education, the State Surveyor, the Nebraska State Patrol, the
2 materiel division of the Department of Administrative Services, the
3 personnel division of the Department of Administrative Services,
4 the Nebraska Motor Vehicle Industry Licensing Board, the Board of
5 Trustees of the Nebraska State Colleges, each of the Nebraska state
6 colleges, each district judge of the State of Nebraska, each judge
7 of the county court, each judge of a separate juvenile court,
8 the Lieutenant Governor, each United States Senator from Nebraska,
9 each United States Representative from Nebraska, each clerk of the
10 district court for the use of the district court, the clerk of
11 the Nebraska Workers' Compensation Court, each clerk of the county
12 court, each county attorney, each county public defender, each
13 county law library, and the inmate library at all state penal and
14 correctional institutions, and each member of the Legislature shall
15 be entitled to two complete sets, and two complete sets of such
16 volumes as are necessary to update previously issued volumes, but
17 each member of the Legislature and each judge of any court referred
18 to in this section shall be entitled, on request, to an additional
19 complete set. Copies of the statutes distributed without charge,
20 as listed in this section, shall be the property of the state or
21 governmental subdivision of the state and not the personal property
22 of the particular person receiving a copy. Distribution of statutes
23 to the library of the College of Law of the University of Nebraska
24 shall be as provided in sections 85-176 and 85-177.

25 Sec. 10. Section 57-239, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 57-239 The ~~Property Tax Administrator~~ Tax Commissioner
3 shall adopt and promulgate rules and regulations necessary for
4 the implementation of sections 57-235 to 57-239. The ~~Property Tax~~
5 ~~Administrator~~ Tax Commissioner shall also prescribe necessary forms
6 for the implementation of sections 57-235 to 57-239.

7 Sec. 11. Section 60-147, Revised Statutes Cumulative
8 Supplement, 2006, is amended to read:

9 60-147 (1) An application for a certificate of title
10 for a mobile home or cabin trailer shall be accompanied by a
11 certificate that states that sales or use tax has been paid on
12 the purchase of the mobile home or cabin trailer or that the
13 transfer of title was exempt from sales and use taxes. The county
14 clerk or designated county official shall issue a certificate of
15 title for a mobile home or cabin trailer but shall not deliver
16 the certificate of title unless the certificate required under this
17 subsection accompanies the application for certificate of title for
18 the mobile home or cabin trailer, except that the failure of the
19 application to be accompanied by such certificate shall not prevent
20 the notation of a lien on the certificate of title to the mobile
21 home or cabin trailer pursuant to section 60-164 and delivery to
22 the holder of the first lien.

23 (2) An application for a certificate of title to a mobile
24 home shall be accompanied by a mobile home transfer statement
25 prescribed by the ~~Property Tax Administrator~~. Tax Commissioner. The

1 mobile home transfer statement shall be filed by the applicant
2 with the county clerk or designated county official of the county
3 of application for title. The county clerk or designated county
4 official shall issue a certificate of title to a mobile home but
5 shall not deliver the certificate of title unless the mobile home
6 transfer statement accompanies the application for title, except
7 that the failure to provide the mobile home transfer statement
8 shall not prevent the notation of a lien on the certificate of
9 title to the mobile home pursuant to section 60-164 and delivery to
10 the holder of the first lien. The county clerk or designated county
11 official shall retain the original copy of the mobile home transfer
12 statement, forward two copies to the county assessor, and provide a
13 copy to the applicant.

14 Sec. 12. Section 60-3,189, Revised Statutes Cumulative
15 Supplement, 2006, is amended to read:

16 60-3,189 (1) A veteran of the United States Armed Forces
17 who qualifies for an exemption from the motor vehicle tax under
18 subdivision (2) of section 60-3,185 shall apply for the exemption
19 to the county treasurer or designated county official not more
20 than fifteen days before and not later than thirty days after
21 the registration date for the motor vehicle. A renewal application
22 shall be made annually not sooner than the first day of the last
23 month of the registration period or later than the last day of
24 the registration period. The county treasurer or designated county
25 official shall approve or deny the application and notify the

1 applicant of his or her decision within twenty days after the
2 filing of the application. An applicant may appeal the denial of an
3 application to the county board of equalization within twenty days
4 after the date the notice was mailed.

5 (2) An organization which qualifies for an exemption from
6 the motor vehicle tax under subdivision (6) of section 60-3,185
7 shall apply for the exemption to the county treasurer or designated
8 county official not more than fifteen days before and not later
9 than thirty days after the registration date for the motor vehicle.
10 For a newly acquired motor vehicle, an application for exemption
11 must be made within thirty days after the purchase date. A renewal
12 application shall be made annually not sooner than the first day of
13 the last month of the registration period or later than the last
14 day of the registration period. The county treasurer or designated
15 county official shall examine the application and recommend either
16 exempt or nonexempt status to the county board of equalization
17 within twenty days after receipt of the application. The county
18 board of equalization, after a hearing on ten days' notice to the
19 applicant and after considering the recommendation of the county
20 treasurer or designated county official and any other information
21 it may obtain, shall approve or deny the exemption on the basis
22 of law and of rules and regulations adopted and promulgated by
23 the ~~Property Tax Administrator~~ Tax Commissioner within thirty days
24 after the hearing. The county board of equalization shall mail
25 or deliver its final decision to the applicant and the county

1 treasurer or designated county official within seven days after the
2 date of decision. The decision of the county board of equalization
3 may be appealed to the Tax Equalization and Review Commission in
4 accordance with the Tax Equalization and Review Commission Act
5 within thirty days after the final decision.

6 Sec. 13. Section 60-3,202, Revised Statutes Cumulative
7 Supplement, 2006, is amended to read:

8 60-3,202 (1) As registration fees are received by the
9 Division of Motor Carrier Services of the department pursuant to
10 section 60-3,198, the division shall remit the fees to the State
11 Treasurer, less a collection fee of three percent of thirty percent
12 of the registration fees collected. The collection fee shall be
13 credited to the Department of ~~Property Assessment and Taxation~~
14 Revenue Property Assessment Division Cash Fund. The State Treasurer
15 shall credit the remainder of the thirty percent of the fees
16 collected to the Motor Vehicle Tax Fund and the remaining seventy
17 percent of the fees collected to the Highway Trust Fund.

18 (2) On or before the last day of each quarter of the
19 calendar year, the State Treasurer shall distribute all funds in
20 the Motor Vehicle Tax Fund to the county treasurer or designated
21 county official of each county in the same proportion as the number
22 of original apportionable vehicle registrations in each county
23 bears to the total of all original registrations within the state
24 in the registration year immediately preceding.

25 (3) Upon receipt of motor vehicle tax funds from the

1 State Treasurer, the county treasurer or designated county official
2 shall distribute such funds to taxing agencies within the county in
3 the same proportion that the levy of each such taxing agency bears
4 to the total of such levies of all taxing agencies in the county.

5 (4) In the event any taxing district has been annexed,
6 merged, dissolved, or in any way absorbed into another taxing
7 district, any apportionment of motor vehicle tax funds to which
8 such taxing district would have been entitled shall be apportioned
9 to the successor taxing district which has assumed the functions of
10 the annexed, merged, dissolved, or absorbed taxing district.

11 (5) On or before March 1 of each year, the department
12 shall furnish to the State Treasurer a tabulation showing the total
13 number of original apportionable vehicle registrations in each
14 county for the immediately preceding calendar year, which shall be
15 the basis for computing the distribution of motor vehicle tax funds
16 as provided in subsection (2) of this section.

17 (6) The Motor Vehicle Tax Fund is created. Any money in
18 the fund available for investment shall be invested by the state
19 investment officer pursuant to the Nebraska Capital Expansion Act
20 and the Nebraska State Funds Investment Act.

21 Sec. 14. Section 72-258.03, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 72-258.03 For purposes of sales of educational lands at
24 public auction, appraised value is the adjusted value as determined
25 by the ~~Property Tax Administrator~~ Tax Commissioner or his or

1 her representative (1) for agricultural and horticultural land,
2 multiplied by one and twenty-five hundredths, or (2) for all other
3 classes of real property, multiplied by one, unless the Board of
4 Educational Lands and Funds establishes a higher value pursuant to
5 section 72-257 or 72-258, in which case that value shall be the
6 appraised value for purposes of sale.

7 Sec. 15. Section 76-214, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 76-214 (1) Every grantee who has a deed to real estate
10 recorded which was executed after July 21, 1965, and every
11 purchaser of real estate who has a memorandum of contract or
12 land contract recorded which was executed after July 16, 1994,
13 shall, at the time such deed, memorandum of contract, or land
14 contract is presented for recording, file with the register
15 of deeds a completed statement as prescribed by the ~~Property~~
16 ~~Tax Administrator.~~ Tax Commissioner. For all deeds executed and
17 recorded after January 1, 1986, and for all memoranda of contract
18 and land contracts executed and recorded after July 16, 1994, and
19 prior to January 1, 2001, the statement shall contain the social
20 security number of the grantee or purchaser, if living, or the
21 federal employer identification number of the grantee or purchaser.
22 For all deeds and all memoranda of contract and land contracts
23 executed and recorded on and after January 1, 2001, the statement
24 shall not require the social security number of the grantee or
25 purchaser or the federal employer identification number of the

1 grantee or purchaser. This statement may require the recitation
2 of any information contained in the deed, memorandum of contract,
3 or land contract, the total consideration paid, the amount of
4 the total consideration attributable to factors other than the
5 purchase of the real estate itself, and other factors which may
6 influence the transaction. This statement shall be signed and filed
7 by the grantee, the purchaser, or his or her authorized agent.
8 The statement form shall be designed so that multiple copies are
9 generated. Beginning January 1, 2001, the register of deeds shall
10 forward the original copy of the statement to the Department of
11 Revenue, two copies of the statement shall be provided to the
12 county assessor, and a copy shall be provided to the grantee or
13 purchaser or his or her agent. If the grantee or purchaser fails
14 to furnish the statement, the register of deeds shall not record
15 the deed, memorandum of contract, or land contract. The register
16 of deeds shall indicate on the statement the book and page or
17 computer system reference where the deed, memorandum of contract,
18 or land contract is recorded and shall immediately forward the
19 statement to the county assessor. The county assessor shall process
20 the statement according to the instructions of the ~~Property Tax~~
21 ~~Administrator~~ Tax Commissioner and shall, when directed, forward
22 the statement to the ~~Property Tax Administrator~~. Tax Commissioner.
23 Except as provided in subsection (2) of this section, the statement
24 and the information contained therein shall be confidential and
25 available to tax officials only.

1 (2) Any person shall have access to statements at the
 2 office of the county assessor which have been filed on or after
 3 January 1, 1995, and have not been disposed of pursuant to the
 4 records retention and disposition schedule as approved by the State
 5 Records Administrator.

6 Sec. 16. Section 77-115, Reissue Revised Statutes of
 7 Nebraska, is amended to read:

8 77-115 County assessor includes an elected or appointed
 9 county assessor or a county clerk who is an ex officio county
 10 assessor. In counties in which the state has assumed the assessment
 11 function, the ~~Property Tax Administrator~~ Tax Commissioner or his or
 12 her designee performs the duties of the county assessor.

13 Sec. 17. Section 77-120, Reissue Revised Statutes of
 14 Nebraska, is amended to read:

15 77-120 (1) Net book value of property for taxation shall
 16 mean that portion of the Nebraska adjusted basis of the property as
 17 of the assessment date for the applicable recovery period in the
 18 table set forth in this subsection.

19 NET BOOK VALUE AS A PERCENT							
20 OF NEBRASKA ADJUSTED BASIS							
21 Year	22 Recovery Period (in years)						
	3	5	7	10	15	20	
23 1	75.00	85.00	89.29	92.50	95.00	96.25	
24 2	37.50	59.50	70.16	78.62	85.50	89.03	
25 3	12.50	41.65	55.13	66.83	76.95	82.35	

LB 334				LB 334			
1	4	0.00	24.99	42.88	56.81	69.25	76.18
2	5		8.33	30.63	48.07	62.32	70.46
3	6		0.00	18.38	39.33	56.09	65.18
4	7			6.13	30.59	50.19	60.29
5	8			0.00	21.85	44.29	55.77
6	9				13.11	38.38	51.31
7	10				4.37	32.48	46.85
8	11				0.00	26.57	42.38
9	12					20.67	37.92
10	13					14.76	33.46
11	14					8.86	29.00
12	15					2.95	24.54
13	16					0.00	20.08
14	17						15.62
15	18						11.15
16	19						6.69
17	20						2.23
18	21						0.00

19 Net book value as a percent of Nebraska adjusted basis
20 shall be calculated using the one-hundred-fifty-percent declining
21 balance method, switching to straight line, with a one-half-year
22 convention.

23 (2) The applicable recovery period for any item of
24 property shall be determined as follows:

1 (a) Three-year property shall include property with a

2 class life of four years or less;

3 (b) Five-year property shall include property with a
4 class life of more than four years and less than ten years;

5 (c) Seven-year property shall include property with a
6 class life of ten years or more but less than sixteen years;

7 (d) Ten-year property shall include property with a class
8 life of sixteen years or more but less than twenty years;

9 (e) Fifteen-year property shall include property with a
10 class life of twenty years or more but less than twenty-five years;
11 and

12 (f) Twenty-year property shall include property with a
13 class life of twenty-five years or more.

14 (3) Class life shall be based upon the anticipated useful
15 life of a class of property and shall be determined by the ~~Property~~
16 ~~Tax Administrator~~ Tax Commissioner under the Internal Revenue Code.

17 (4) One-half-year convention shall be a convention which
18 treats all property placed in service during any tax year as placed
19 in service on the midpoint of such tax year.

20 (5) The percent shown for year one shall be the percent
21 used for January 1 of the year following the year of acquisition of
22 the property.

23 Sec. 18. Section 77-202.01, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 77-202.01 (1) Any organization or society seeking a tax
1 exemption provided in subdivisions (1)(c) and (d) of section 77-202

2 for any real or tangible personal property, except real property
3 used for cemetery purposes, shall apply for exemption to the
4 county assessor on or before December 31 of the year preceding
5 the year for which the exemption is sought on forms prescribed
6 by the ~~Property Tax Administrator~~, Tax Commissioner. The county
7 assessor shall examine the application and recommend either taxable
8 or exempt for the real property or tangible personal property to
9 the county board of equalization on or before February 1 following.
10 Notice that a list of the applications from organizations seeking
11 tax exemption, descriptions of the property, and recommendations of
12 the county assessor are available in the county assessor's office
13 shall be published in a newspaper of general circulation in the
14 county at least ten days prior to consideration of any application
15 by the county board of equalization.

16 (2) Any organization or society which fails to file an
17 exemption application on or before December 31 may apply on or
18 before June 30 to the county assessor. The organization or society
19 shall also file in writing a request with the county board of
20 equalization for a waiver so that the county assessor may consider
21 the application for exemption. The county board of equalization
22 shall grant the waiver upon a finding that good cause exists
23 for the failure to make application on or before December 31.
24 When the waiver is granted, the county assessor shall examine
25 the application and recommend either taxable or exempt for the
1 real property or tangible personal property to the county board

2 of equalization and shall assess a penalty against the property
3 of ten percent of the tax that would have been assessed had the
4 waiver been denied or one hundred dollars, whichever is less, for
5 each calendar month or fraction thereof for which the filing of
6 the exemption application missed the December 31 deadline. The
7 penalty shall be collected and distributed in the same manner as
8 a tax on the property and interest shall be assessed at the rate
9 specified in section 45-104.01, as such rate may from time to time
10 be adjusted by the Legislature, from the date the tax would have
11 been delinquent until paid. The penalty shall also become a lien in
12 the same manner as a tax pursuant to section 77-203.

13 Sec. 19. Section 77-202.02, Revised Statutes Cumulative
14 Supplement, 2006, is amended to read:

15 77-202.02 The county board of equalization, between
16 February 1 and June 1 after a hearing on ten days' notice to
17 the applicant and the publication of notice as provided in section
18 77-202.01, and after considering the recommendation of the county
19 assessor and any other information it may obtain from public
20 testimony, shall grant or withhold tax exemption for the real
21 property or tangible personal property on the basis of law and
22 of regulations promulgated by the ~~Property Tax Administrator.~~ Tax
23 Commissioner.

24 For applications accepted after approval of a waiver
25 pursuant to section 77-202.01, the county board of equalization
1 shall hear and certify its decision on or before August 15.

2 Sec. 20. Section 77-202.03, Revised Statutes Cumulative
3 Supplement, 2006, is amended to read:

4 77-202.03 (1) A properly granted exemption of real or
5 tangible personal property, except real property used for cemetery
6 purposes, provided for in subdivisions (1)(c) and (d) of section
7 77-202 shall continue for a period of four years if the statement
8 of reaffirmation of exemption required by subsection (2) of this
9 section is filed when due. The four-year period shall begin with
10 years evenly divisible by four.

11 (2) In each intervening year occurring between
12 application years, the organization or society which filed the
13 granted exemption application for the real or tangible personal
14 property, except real property used for cemetery purposes, shall
15 file a statement of reaffirmation of exemption with the county
16 assessor on or before December 31 of the year preceding the year
17 for which the exemption is sought, on forms prescribed by the
18 ~~Property Tax Administrator~~, Tax Commissioner, certifying that the
19 ownership and use of the exempted property has not changed during
20 the year. Any organization or society which misses the December 31
21 deadline for filing the statement of reaffirmation of exemption may
22 file the statement of reaffirmation of exemption by June 30. Such
23 filing shall maintain the tax-exempt status of the property without
24 further action by the county and regardless of any previous action
25 by the county board of equalization to deny the exemption due to
1 late filing of the statement of reaffirmation of exemption. Upon

2 any such late filing, the county assessor shall assess a penalty
3 against the property of ten percent of the tax that would have been
4 assessed had the statement of reaffirmation of exemption not been
5 filed or one hundred dollars, whichever is less, for each calendar
6 month or fraction thereof for which the filing of the statement of
7 reaffirmation of exemption is late. The penalty shall be collected
8 and distributed in the same manner as a tax on the property
9 and interest shall be assessed at the rate specified in section
10 45-104.01, as such rate may from time to time be adjusted by the
11 Legislature, from the date the tax would have been delinquent until
12 paid. The penalty shall also become a lien in the same manner as a
13 tax pursuant to section 77-203.

14 (3) (a) If any organization or society seeks a tax
15 exemption for any real or tangible personal property acquired
16 on or after January 1 of any year or converted to exempt use on
17 or after January 1 of any year, the organization or society shall
18 make application for exemption on or before August 1 of that year
19 as provided in subsection (1) of section 77-202.01. The procedure
20 for reviewing the application shall be as in sections 77-202.01
21 to 77-202.05, except that the exempt use shall be determined as
22 of the date of application and the review by the county board of
23 equalization shall be completed by August 15.

24 (b) If an organization as described in subdivision (1) (c)
25 or (d) of section 77-202 purchases, between August 1 and the
1 levy date, property that has been granted tax exemption and the

2 property continues to be qualified for a property tax exemption,
3 the purchaser shall on or before December 1 make application for
4 exemption as provided in section 77-202.01. The procedure for
5 reviewing the application shall be as in sections 77-202.01 to
6 77-202.05, and the review by the county board of equalization shall
7 be completed by December 15.

8 (4) In any year, the county assessor or the county board
9 of equalization may cause a review of any exemption to determine
10 whether the exemption is proper. Such a review may be taken even
11 if the ownership or use of the property has not changed from the
12 date of the allowance of the exemption. If it is determined that
13 a change in an exemption is warranted, the procedure for hearing
14 set out in section 77-202.02 shall be followed, except that the
15 published notice shall state that the list provided in the county
16 assessor's office only includes those properties being reviewed.
17 If an exemption is denied, the county board of equalization shall
18 place the property on the tax rolls retroactive to January 1 of
19 that year if on the date of the decision of the county board of
20 equalization the property no longer qualifies for an exemption.

21 The county board of equalization shall give notice of the
22 assessed value of the real property in the same manner as outlined
23 in section 77-1507, and the procedures for filing a protest shall
24 be the same as those in section 77-1502.

25 When personal property which was exempt becomes taxable
1 because of lost exemption status, the owner or his or her agent

2 has thirty days after the date of denial to file a personal
3 property return with the county assessor. Upon the expiration of
4 the thirty days for filing a personal property return pursuant
5 to this subsection, the county assessor shall proceed to list
6 and value the personal property and apply the penalty pursuant to
7 section 77-1233.04.

8 (5) During the month of September of each year, the
9 county board of equalization shall cause to be published in a
10 paper of general circulation in the county a list of all real
11 estate in the county exempt from taxation for that year pursuant
12 to subdivisions (1)(c) and (d) of section 77-202. Such list
13 shall be grouped into categories as provided by the ~~Property Tax~~
14 ~~Administrator.~~ Tax Commissioner. A copy of the list and proof of
15 publication shall be forwarded to the ~~Property Tax Administrator.~~
16 Tax Commissioner.

17 Sec. 21. Section 77-202.04, Revised Statutes Cumulative
18 Supplement, 2006, is amended to read:

19 77-202.04 (1) Notice of a county board of equalization's
20 decision granting or denying an application for exemption from
21 taxation for real or tangible personal property shall be mailed or
22 delivered to the applicant and the county assessor by the county
23 clerk within seven days after the date of the board's decision.
24 Persons, corporations, or organizations may appeal denial of an
25 application for exemption by a county board of equalization. Only
1 the county assessor may appeal the grant of such an exemption by

2 a county board of equalization. Appeals pursuant to this section
3 shall be made to the Tax Equalization and Review Commission
4 in accordance with section 77-5013 within thirty days after
5 the decision of the county board of equalization. The ~~Property~~
6 ~~Tax Administrator~~ Tax Commissioner may in his or her discretion
7 intervene in any such appeal pursuant to this section.

8 (2) Any owner may petition the Tax Equalization and
9 Review Commission in accordance with section 77-5013, on or before
10 December 31 of each year, to determine the taxable status of real
11 property for that year if a failure to give notice as prescribed
12 by this section prevented timely filing of a protest or appeal
13 provided for in sections 77-202 to 77-202.25.

14 Sec. 22. Section 77-202.05, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 77-202.05 The ~~Property Tax Administrator~~ Tax Commissioner
17 shall prescribe forms for distribution to the county assessors
18 on which persons, corporations, and organizations may apply for
19 tax-exempt status for real or tangible personal property. The forms
20 shall include the following information:

21 (1) Name of owner or owners of the property, and if a
22 corporation, the names of the officers and directors, and place of
23 incorporation;

24 (2) Legal description of real property and a general
25 description as to class and use of all tangible personal property;
1 and

2 (3) The precise statutory provision under which exempt
3 status for such property is claimed.

4 Sec. 23. Section 77-202.09, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 77-202.09 Any cemetery organization seeking a tax
7 exemption for any real property used to maintain areas set apart
8 for the interment of human dead shall apply for exemption to
9 the county assessor on forms prescribed by the ~~Property Tax~~
10 ~~Administrator-~~ Tax Commissioner. An application for a tax exemption
11 shall be made on or before December 31 of the year preceding the
12 year for which the exemption is sought. The county assessor shall
13 examine the application and recommend either taxable or exempt to
14 the county board of equalization on or before February 1 following.
15 If a cemetery organization seeks a tax exemption for any real or
16 tangible personal property acquired for or converted to exempt use
17 on or after January 1, the organization shall make application for
18 exemption on or before August 1. The procedure for reviewing the
19 application shall be the same as for other exemptions pursuant
20 to subdivisions (1)(c) and (d) of section 77-202. Any cemetery
21 organization which fails to file on or before December 31 for
22 exemption may apply on or before June 30 pursuant to subsection
23 (2) of section 77-202.01, and the penalty and procedures specified
24 in section 77-202.01 shall apply.

25 Sec. 24. Section 77-202.12, Revised Statutes Cumulative
1 Supplement, 2006, is amended to read:

2 77-202.12 (1) On or before March 1, the county assessor
3 shall send notice to the state or to any governmental subdivision
4 if it has property not being used for a public purpose upon
5 which a payment in lieu of taxes is not made. Such notice shall
6 inform the state or governmental subdivision that the property
7 will be subject to taxation for property tax purposes. The written
8 notice shall contain the legal description of the property and be
9 given by first-class mail addressed to the state's or governmental
10 subdivision's last-known address. If the property is leased by
11 the state or the governmental subdivision to another entity and
12 the lessor does not intend to pay the taxes for the lessee as
13 allowed under subsection (4) of section 77-202.11, the lessor shall
14 immediately forward the notice to the lessee.

15 (2) The state, governmental subdivision, or lessee may
16 protest the determination of the county assessor that the property
17 is not used for a public purpose to the county board of
18 equalization on or before April 1. The county board of equalization
19 shall issue its decision on the protest on or before May 1.

20 (3) The decision of the county board of equalization may
21 be appealed to the Tax Equalization and Review Commission on or
22 before June 1. The ~~Property Tax Administrator~~ Tax Commissioner in
23 his or her discretion may intervene in an appeal pursuant to this
24 section.

25 Sec. 25. Section 77-202.13, Revised Statutes Cumulative
1 Supplement, 2006, is amended to read:

2 77-202.13 (1) Not later than December 1, 2004, and every
3 fourth December 1 thereafter, the county assessor of each county
4 shall file with the ~~Property Tax Administrator~~ Tax Commissioner and
5 the county board a report specifying the following information for
6 the then current year:

7 (a) The legal description and owner of all property owned
8 by the state or a governmental subdivision of the state; and

9 (b) The legal description and owner of all property
10 subject to taxation pursuant to sections 77-202.11 and 77-202.12.

11 (2) The Department of ~~Property Assessment and Taxation~~
12 Revenue shall use the information reported in subdivision (1)(b) of
13 this section to create and maintain a data base of the information
14 that is available to the public on the web site of the department.
15 The data base shall be searchable by legal description, owner, and
16 tax status.

17 Sec. 26. Section 77-361, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 77-361 The functions and goals of the Department of
20 Revenue shall be to: (1) Execute faithfully the revenue and
21 property tax laws of the State of Nebraska; (2) provide for
22 efficient, updated, and economical methods and systems of revenue
23 accounting, reporting, enforcement, and related activities; and (3)
24 continually seek to improve its system of administration to provide
25 greater efficiency and convenience to this state's taxpayers.

1 Sec. 27. Section 77-366, Revised Statutes Cumulative

2 Supplement, 2006, is amended to read:

3 77-366 (1) The Tax Commissioner shall appoint or employ
4 deputies, investigators, inspectors, agents, security personnel,
5 and other persons as he or she deems necessary to administer and
6 effectively enforce all provisions of the revenue and property
7 tax laws of this state. The appointed personnel shall hold
8 office at the pleasure of the Tax Commissioner. Any appointed
9 or employed personnel shall perform the duties assigned by the Tax
10 Commissioner.

11 (2) All personnel appointed or employed by the Tax
12 Commissioner shall be bonded or insured as required by section
13 11-201. As specified by the Tax Commissioner, certain personnel
14 shall be vested with the authority and power of a law enforcement
15 officer to carry out the laws of this state administered by the
16 Tax Commissioner or the Department of Revenue. Such personnel shall
17 be empowered to arrest with or without a warrant, file and serve
18 any lien, seize property, serve and return a summons, warrant,
19 or subpoena issued by the Tax Commissioner, collect taxes, and
20 bring an offender before any court with jurisdiction in this
21 state, except that such personnel shall not be authorized to carry
22 weapons or enforce any laws other than laws administered by the Tax
23 Commissioner or the Department of Revenue.

24 (3) Subsection (2) of this section shall not be construed
25 to restrict any other law enforcement officer of this state from
1 enforcing any state law, revenue or otherwise.

2 Sec. 28. Section 77-370, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 77-370 The form of all schedules, books of instruction,
5 records, and all other forms which may be necessary or expedient
6 for the proper administration of the revenue and property tax
7 laws of the state shall be approved by the Department of
8 Revenue. All such schedules, forms, and documents shall be uniform
9 throughout the several counties insofar as the same is possible and
10 practicable.

11 Sec. 29. Section 77-374, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-374 Where the Department of Revenue shall find that
14 the administration of the revenue and property tax laws of the
15 state might be more efficiently and economically conducted, it
16 shall cause to be prepared recommendations to effect the desired
17 objective. Such recommendations shall be given to the Governor and
18 the chairperson of the appropriate legislative committee when the
19 Legislature is next in regular session following the development of
20 the recommendations. Should the Legislature be in regular session
21 at the time such recommendations are compiled, the recommendations
22 shall be communicated to the Governor and the appropriate committee
23 of the Legislature.

24 Sec. 30. Section 77-377, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 77-377 The Department of Revenue may request the Attorney

2 General or any county attorney to institute proceedings, actions,
3 and prosecutions as may be required to enforce the laws relating
4 to penalties, liabilities, assessments, collection, and payment of
5 revenue and punishment of public officers, persons, or officers or
6 agents of corporations for failure to comply with or for neglect
7 to comply with the provisions of any revenue or property tax law
8 administered by or subject to the administrative jurisdiction of
9 the department.

10 Sec. 31. Section 77-414, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 77-414 The ~~Property Tax Administrator~~ Tax Commissioner
13 shall:

14 (1) Establish, implement, and maintain a required system
15 of educational courses for the certification and recertification of
16 all holders of county assessor certificates; and

17 (2) Establish the required educational standards and
18 criteria for certification and recertification of all holders of
19 county assessor certificates.

20 In order to promote compliance with the requirements of
21 this section, the ~~Property Tax Administrator~~ Tax Commissioner shall
22 adopt and promulgate, and from time to time amend or revise, rules
23 and regulations containing the necessary educational standards and
24 criteria for certification and recertification.

25 Sec. 32. Section 77-420, Reissue Revised Statutes of
1 Nebraska, is amended to read:

2 77-420 In cooperation with the county assessors
3 association, the ~~Property Tax Administrator~~ Tax Commissioner may
4 arrange and conduct seminars in assessment methods, which seminars
5 shall be supplementary to any educational course required under
6 section 77-414.

7 Sec. 33. Section 77-421, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 77-421 The ~~Property Tax Administrator~~ Tax Commissioner
10 shall, in February, May, August, and November of each year, hold
11 an examination of applicants for certification as county assessor.
12 An applicant for the examination shall, not less than ten days
13 before an examination, present to the ~~Property Tax Administrator~~
14 Tax Commissioner a written application on forms provided by the
15 ~~Property Tax Administrator.~~ Tax Commissioner. Such application
16 shall not be considered by the ~~Property Tax Administrator~~ Tax
17 Commissioner unless accompanied by a payment of a fee to the
18 order of the ~~Property Tax Administrator.~~ Tax Commissioner. The
19 fees shall be credited to the Department of ~~Property Assessment~~
20 ~~and Taxation~~ Revenue Property Assessment Division Cash Fund. The
21 amount of such fee shall be determined annually by the ~~Property Tax~~
22 ~~Administrator~~ Tax Commissioner and shall be sufficient to cover the
23 costs of the administration of the examination. Such examination
24 shall be written and shall be of such character as fairly to
25 test and determine the qualifications, fitness, and ability of the
1 person tested actually to perform the duties of county assessor.

2 The ~~Property Tax Administrator~~ Tax Commissioner shall prepare such
3 examination.

4 Sec. 34. Section 77-422, Revised Statutes Cumulative
5 Supplement, 2006, is amended to read:

6 77-422 (1) Upon the successful completion of the
7 examination by the applicant, a county assessor certificate shall
8 be issued to him or her.

9 (2) The ~~Property Tax Administrator~~ Tax Commissioner shall
10 establish a system for revocation or suspension of a certificate
11 for failure to maintain the educational standards and criteria and
12 shall have the power to revoke the certificate if the certificate
13 holder has not successfully met the educational requirements in
14 section 77-414. A copy of the ~~Property Tax Administrator's~~ Tax
15 Commissioner's written order revoking or suspending a certificate
16 shall be mailed to the person within seven days after the date of
17 the order.

18 (3) Any person whose certificate has been revoked or
19 suspended may appeal the written order of the ~~Property Tax~~
20 ~~Administrator,~~ Tax Commissioner, within thirty days after the
21 date of the order, to the Tax Equalization and Review Commission in
22 accordance with section 77-5013.

23 (4) A person whose certificate has been invalidated by
24 the commission or the ~~Property Tax Administrator~~ Tax Commissioner
25 shall not be eligible to hold a certificate for five years after
1 the date of invalidation.

2 Sec. 35. Section 77-601, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 77-601 The ~~Property Tax Administrator~~ Tax Commissioner
5 shall assess all operating property of the railroads and railroad
6 corporations in the State of Nebraska as defined in section 77-602.

7 Sec. 36. Section 77-602, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 77-602 The ~~Property Tax Administrator~~ Tax Commissioner
10 in May of each year shall proceed to ascertain all operating
11 property of any railroad company owning, operating, or controlling
12 any railroad or railroad service in this state. Operating property
13 is property that contributes to the operation of a railroad and
14 which for the purpose of this section shall be held to include
15 the main track, sidetrack, spur tracks, warehouse tracks, roadbed,
16 right-of-way and depot grounds, all machine and repair shops,
17 general office buildings, storehouses, and all water and fuel
18 stations, buildings, and superstructures located on any of such
19 property, any manufacturing plant necessary in the operation of
20 such railroad and any property used or held in connection with the
21 manufacturing plant, all machinery, rolling stock, telegraph lines
22 and instruments connected with such lines, all material on hand and
23 supplies provided for operating and carrying on the business of
24 such road, in whole or in part, franchises, all personal property
25 of such railroad company, and all other real property of such
1 railroad company which is adjacent and contiguous to the railroad

2 right-of-way and is used or held for the sole purpose of operating
3 the railroad. Nonoperating property is property owned or leased by
4 a railroad company that does not contribute to the operation of
5 a railroad. The ~~Property Tax Administrator~~ Tax Commissioner shall
6 value operating property as other real and personal property.

7 Sec. 37. Section 77-603, Revised Statutes Cumulative
8 Supplement, 2006, is amended to read:

9 77-603 On or before April 15 each year, the person,
10 company, or corporation owning, operating, or controlling any
11 railroad or railroad service in this state shall, by a duly
12 authorized corporate representative or official, return to
13 the ~~Property Tax Administrator~~ Tax Commissioner a statement
14 of the property of such company on January 1 preceding. The
15 statement shall be made on forms prescribed by the ~~Property Tax~~
16 ~~Administrator.~~ Tax Commissioner. All information reported by the
17 railroad company, not available from any other public source,
18 and any memorandum thereof shall be confidential and available
19 to taxing officials only. For good cause shown, the ~~Property Tax~~
20 ~~Administrator~~ Tax Commissioner may allow an extension of time in
21 which to file such statement. Such extension shall not exceed
22 fifteen days after April 15. Such statement shall include:

23 (1) A list of the right-of-way, track, and roadbed,
24 giving the entire length of the main track and sidetrack in this
25 and other states, and showing as to this state the portion in each
1 governmental subdivision;

2 (2) A schedule showing: (a) The amount of capital stock
3 authorized and the number of shares into which such capital stock
4 is divided; (b) the amount of capital stock paid up; (c) the market
5 value of the stock or, if of no market value, then the true value
6 of the shares of stock; (d) the total amount of all secured and
7 unsecured indebtedness except for current expenses of operating the
8 road; and (e) the taxable valuation of all its operating property
9 in this state that is locally assessed;

10 (3) A correct return of the value of all materials and
11 supplies used for operating and carrying on the business of such
12 railroad;

13 (4) The total gross earnings and net earnings of such
14 corporation during the year for which the statement is made, and
15 the total amount expended in the operation and maintenance of
16 the property and the improvements to such property, distinguishing
17 that expended in improvement or betterment from that expended in
18 maintenance and operation, also the dividend last declared upon its
19 shares and the amount thereof, and the date, number, and amount of
20 all dividends declared upon its stock during the year preceding the
21 date of such report; and

22 (5) Such other necessary information as the ~~Property Tax~~
23 ~~Administrator~~ Tax Commissioner may require, all of which shall be
24 taken into consideration in ascertaining and fixing the value of
25 such railroad and the franchise thereof.

1 Sec. 38. Section 77-603.01, Reissue Revised Statutes of

2 Nebraska, is amended to read:

3 77-603.01 The sale of railroad operating property as
4 defined in section 77-602 shall be reported by the purchaser
5 to the ~~Property Tax Administrator~~ Tax Commissioner within thirty
6 days after the date of sale. The purchaser shall identify the
7 seller, the date of the sale, any change in the name of
8 the railroad, the main track and sidetrack mileage located in
9 each political subdivision, and the purchase price. If additional
10 information regarding the sale is deemed necessary, the ~~Property~~
11 ~~Tax Administrator~~ Tax Commissioner shall make a written request
12 for such information to the purchaser or seller. This requirement
13 shall apply only to a purchaser subject to section 77-603. For each
14 day's failure to furnish the information required to be reported
15 by this section, the ~~Property Tax Administrator~~ Tax Commissioner
16 shall assess a penalty in the amount of one hundred dollars,
17 except that the penalty shall not exceed ten thousand dollars. Such
18 penalty shall be collected by the ~~Property Tax Administrator~~ Tax
19 Commissioner and credited to the Department of ~~Property Assessment~~
20 ~~and Taxation~~ Revenue Property Assessment Division Cash Fund. The
21 ~~Property Tax Administrator~~ Tax Commissioner may waive all or part
22 of the penalty provided in this section.

23 Sec. 39. Section 77-604, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 77-604 The returns of railroad companies or corporations
1 shall not be held to be conclusive as to the taxable value of

2 the property, but the ~~Property Tax Administrator~~ Tax Commissioner
3 shall, from all the information which he or she is able to
4 obtain, including records of the Public Service Commission or other
5 regulatory body, find the taxable value of all such property,
6 including tangible property and franchises, and shall assess such
7 property on the same basis as other property is required to be
8 assessed.

9 The taxable value of the railroad companies allocated to
10 the state shall be distributed as follows:

11 (1) Five percent shall be distributed to all taxing
12 subdivisions where the railroad company has investment in general
13 office buildings or machine and repair facilities proportionate to
14 the company's investment in general office buildings and machine
15 and repair facilities in the state; and

16 (2) The balance shall be distributed to all taxing
17 subdivisions including cities and villages based on a formula in
18 which fifty percent of the valuation is based on miles of main
19 track and sidetrack and fifty percent of the valuation is based on
20 density factor on miles of main track and sidetrack. The value per
21 mile of sidetrack shall equal the value of the line divided by the
22 following quantity: The number of miles of sidetrack plus two times
23 the number of miles of main track. The value per mile of main track
24 shall equal twice the value per mile of sidetrack as computed in
25 this section.

1 For purposes of Chapter 77, article 6, the reference to

2 sidetrack shall include all track not properly designated as main
3 track and shall include, but not be limited to, passing track, yard
4 track, and track within terminals. Main track shall be defined as
5 that track over which regularly scheduled railroad operations are
6 conducted. Density factor shall be determined by ton-miles traveled
7 over a route, measured by the number of tons of revenue freight
8 moved one mile.

9 Sec. 40. Section 77-605, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 77-605 For each day's failure to furnish the statement
12 required by section 77-603 or for each day's failure to furnish
13 the information as required on those statements, the ~~Property~~
14 ~~Tax Administrator~~ Tax Commissioner shall assess a penalty in the
15 amount of one hundred dollars, except that the penalty shall not
16 exceed ten thousand dollars. Such penalty shall be collected by
17 the ~~Property Tax Administrator~~ Tax Commissioner and credited to
18 the Department of ~~Property Assessment and Taxation~~ Revenue Property
19 Assessment Division Cash Fund. The ~~Property Tax Administrator,~~ Tax
20 Commissioner, in his or her discretion, may waive all or part of
21 the penalty provided in this section.

22 Sec. 41. Section 77-607, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 77-607 The ~~Property Tax Administrator~~ Tax Commissioner
25 shall have power to require any officer, agent, or servant of any
1 railroad or railway company having any portion of its property

2 in this state to attend a hearing and to answer under oath
3 questions regarding the property. The ~~Property Tax Administrator~~
4 Tax Commissioner shall have power to issue whatever notice or
5 process may be necessary to compel the attendance of any such
6 person as a witness.

7 Sec. 42. Section 77-609, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 77-609 Beginning January 1, 2001, the ~~Property Tax~~
10 ~~Administrator~~ Tax Commissioner shall annually calculate the density
11 factor used in distributing value along the line based upon an
12 average of the most recent three years. If a density factor cannot
13 be determined in this manner, the ~~Property Tax Administrator~~ Tax
14 Commissioner may use other information to develop a fair and
15 reasonable factor in lieu of the density factor.

16 Sec. 43. Section 77-612, Revised Statutes Cumulative
17 Supplement, 2006, is amended to read:

18 77-612 On or before July 1, the ~~Property Tax~~
19 ~~Administrator~~ Tax Commissioner shall mail a draft appraisal to each
20 railroad company required to file pursuant to section 77-603. The
21 ~~Property Tax Administrator~~ Tax Commissioner shall, on or before
22 July 15 of each year, notify by certified mail each railroad
23 company of the total allocated value of its operating property.
24 If a railroad company feels aggrieved, such railroad company may,
25 on or before August 1, file with the ~~Property Tax Administrator~~
1 Tax Commissioner an administrative appeal in writing stating that

2 it claims the valuation is unjust or inequitable, the amount which
3 it is claimed the valuation should be, and the excess therein and
4 asking for an adjustment of the valuation by the ~~Property Tax~~
5 ~~Administrator.~~ Tax Commissioner. ~~The Property Tax Administrator~~ Tax
6 Commissioner shall act upon the appeal and shall issue a written
7 order mailed to the company within seven days after the date of
8 the order. The order may be appealed within thirty days after the
9 date of the order to the Tax Equalization and Review Commission in
10 accordance with section 77-5013.

11 Sec. 44. Section 77-616, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-616 No injunction shall be granted restraining the
14 levy of taxes under the assessment made by the ~~Property Tax~~
15 ~~Administrator.~~ Tax Commissioner.

16 Sec. 45. Section 77-621, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 77-621 On or before August 10, the ~~Property Tax~~
19 ~~Administrator~~ Tax Commissioner shall certify to the railroad
20 company and county assessor the railroad company's total taxable
21 equalized value and the distribution of that value determined
22 pursuant to section 77-604. The report of distributed value shall
23 include:

24 (1) The number of miles of main track and sidetrack of
25 each railroad located in each governmental subdivision and the
1 total length of main track and sidetrack in the county;

2 (2) The assessed valuation per mile of such main track
3 and sidetrack; and

4 (3) The valuations that shall be placed to the credit of
5 such governmental subdivision in the county.

6 Sec. 46. Section 77-623, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 77-623 For purposes of certifying values pursuant to
9 section 13-509, the county assessor shall include the railroad
10 company value as certified by the ~~Property Tax Administrator~~ Tax
11 Commissioner pursuant to section 77-621. The taxes so levied shall
12 be included upon the personal property tax roll and be due and
13 payable in the same manner as personal property taxes pursuant to
14 sections 77-203 and 77-204. From the date the taxes are due and
15 payable, the taxes shall be a first lien upon the personal property
16 of the railroad company to whom assessed until paid. The procedure
17 for the collection of any delinquent tax pursuant to this section
18 shall be that used for the collection of personal property tax.

19 Sec. 47. Section 77-680, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 77-680 The president or other chief officer or owner
22 of every car line company shall, on or before June 1 of each
23 year, furnish to the ~~Property Tax Administrator~~ Tax Commissioner
24 a true, full, and accurate statement, verified by the affidavit
25 of the officer or person making it, showing (1) the aggregate
1 number of miles made by each class of its cars on the several

2 lines of railroad in this state during the preceding year ending
3 December 31, (2) the aggregate number of miles made by each class
4 of its cars on all railroad lines during the preceding year ending
5 December 31, (3) the total number of each type of its cars, (4) the
6 taxable value of its cars, and (5) the number of its cars required
7 to make the total mileage in this state. For good cause shown, the
8 ~~Property Tax Administrator~~ Tax Commissioner may allow an extension
9 of time in which to file such statement.

10 Sec. 48. Section 77-681, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 77-681 The president or other chief officer of every
13 railroad company which has lines running through, in, or into this
14 state shall, on or before June 1 of each year, furnish to the
15 ~~Property Tax Administrator~~ Tax Commissioner a statement, verified
16 by the affidavit of the officer or person making the statement,
17 showing the total number of miles traveled by each class of cars
18 of every car line company on their lines, branches, sidings, spurs,
19 and warehouse tracks in this state during the preceding year ending
20 December 31. For good cause shown, the ~~Property Tax Administrator~~
21 Tax Commissioner may allow an extension of time in which to file
22 such statement. Such extension shall not exceed thirty days after
23 June 1.

24 Sec. 49. Section 77-682, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 77-682 The ~~Property Tax Administrator~~ Tax Commissioner

2 shall ascertain from the statements made under sections 77-680 and
3 77-681, or from any other information available, the number of
4 cars of each class required to make the total mileage in this
5 state of each car line company within the period of one year. The
6 ~~Property Tax Administrator~~ Tax Commissioner shall ascertain and fix
7 the value upon each particular class of cars which as nearly as
8 possible shall be the taxable value of such cars, and the number so
9 ascertained shall be assessed to the respective car line company.
10 The method of allocation shall be determined by the ~~Property Tax~~
11 ~~Administrator~~ Tax Commissioner. For the purpose of making the
12 assessment, the ~~Property Tax Administrator~~ Tax Commissioner may
13 base the assessment upon the statements of the railroad companies.

14 Sec. 50. Section 77-683, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 77-683 (1) For each day's failure to furnish the
17 statement required by section 77-680 or 77-681 or for each day's
18 failure to furnish the information as required on the statement,
19 the company may be assessed a penalty in the amount of one
20 hundred dollars, except that the penalty shall not exceed ten
21 thousand dollars. Such penalty shall be collected by the ~~Property~~
22 ~~Tax Administrator~~ Tax Commissioner and credited to the Department
23 of ~~Property Assessment and Taxation~~ Revenue Property Assessment
24 Division Cash Fund. The ~~Property Tax Administrator~~ Tax Commissioner
25 may waive all or part of the penalty provided in this section.

1 (2) In determining the number of such cars, the ~~Property~~

2 ~~Tax Administrator, Tax Commissioner,~~ insofar as may be practicable,
3 shall harmonize the statements of the railroad companies and car
4 line companies. Such assessment shall be included in the records of
5 the ~~Property Tax Administrator, Tax Commissioner.~~

6 Sec. 51. Section 77-684, Revised Statutes Cumulative
7 Supplement, 2006, is amended to read:

8 77-684 The ~~Property Tax Administrator~~ Tax Commissioner
9 shall, on or before January 15 each year, establish a tax rate
10 for purposes of taxation against the taxable value as provided
11 in sections 77-682 and 77-683 at a rate which shall be equal to
12 the total property taxes levied in the state divided by the total
13 taxable value of all taxable property in the state as certified
14 pursuant to section 77-1613.01. The date when such tax rate is
15 determined shall be deemed to be the levy date for the property.
16 The ~~Property Tax Administrator~~ Tax Commissioner shall send to
17 each car line company a statement showing the taxable value, the
18 tax rate, and the amount of the tax and a statement that such
19 tax is due and payable to the ~~Property Tax Administrator~~ Tax
20 Commissioner on January 31 next following the levy thereof. If a
21 car line company feels aggrieved, such company may, on or before
22 February 15, file an appeal with the ~~Property Tax Administrator.~~
23 Tax Commissioner. The ~~Property Tax Administrator~~ Tax Commissioner
24 shall act upon the appeal and shall issue a written order mailed
25 to the company within seven days after the date of the order.
1 The order may be appealed within thirty days after the date

2 of the order to the Tax Equalization and Review Commission in
3 accordance with section 77-5013. The ~~Property Tax Administrator~~ Tax
4 Commissioner shall remit the tax collected, less a three-percent
5 collection fee, to the State Treasurer for distribution among the
6 taxing subdivisions in proportion to all railroad taxes levied by
7 taxing subdivisions. The collection fee shall be remitted to the
8 State Treasurer for credit to the Department of ~~Property Assessment~~
9 ~~and Taxation~~ Revenue Property Assessment Division Cash Fund.

10 Sec. 52. Section 77-685, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 77-685 The ~~Property Tax Administrator~~ Tax Commissioner
13 may issue a distress warrant to compel payment of the tax required
14 by section 77-684 which may be served by any sheriff, any member of
15 the Nebraska State Patrol, or any person specially deputized by the
16 ~~Property Tax Administrator~~ Tax Commissioner to serve such warrant.
17 At the time the tax is paid, the ~~Property Tax Administrator~~ Tax
18 Commissioner shall issue a receipt in duplicate, one of which shall
19 be given to the taxpayer and one filed with the State Treasurer
20 at the time the tax collected is remitted by the ~~Property Tax~~
21 ~~Administrator~~ Tax Commissioner to the state treasury.

22 Sec. 53. Section 77-686, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 77-686 The ~~Property Tax Administrator,~~ Tax Commissioner,
25 on or before January 15 of each year, shall certify to the State
1 Treasurer the names of the car line companies and the several

2 amounts of taxes levied under section 77-684.

3 Sec. 54. Section 77-687, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 77-687 One-half of the taxes levied as provided in
6 section 77-684 shall become delinquent March 1, and the second
7 half on July 1, next following the date the tax has become due
8 and payable. All delinquent taxes shall bear interest at the rate
9 specified in section 45-104.01, as such rate may from time to
10 time be adjusted by the Legislature, from the date they become
11 delinquent, and the interest shall be collected in the same manner
12 as the tax on which the interest accrues. If such taxes and
13 interest due thereon have not been paid on July 1 following the
14 levy thereof, the ~~Property Tax Administrator~~ Tax Commissioner shall
15 collect the tax and interest by distress and sale of any property
16 belonging to such delinquent car line company in the same manner as
17 is required of county treasurers and county sheriffs in like cases.

18 Sec. 55. Section 77-689, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 77-689 If any taxes and interest and penalties due on
21 such taxes have not been paid on July 1 following the levy thereof,
22 the total amount shall be a lien in favor of the State of Nebraska
23 upon all money and credits belonging to the car line companies
24 until the liability therefor is satisfied or otherwise released or
25 discharged. The ~~Property Tax Administrator~~ Tax Commissioner or his
1 or her designated agent may collect such total amount by issuing

2 a distress warrant and making levy upon all money and credits
3 belonging to such car line companies. Such lien shall be filed and
4 enforced pursuant to the Uniform State Tax Lien Registration and
5 Enforcement Act.

6 Sec. 56. Section 77-690, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 77-690 Any car line company in possession of any money
9 and credits upon which levy has been made shall, upon demand
10 of the ~~Property Tax Administrator~~ Tax Commissioner or his or
11 her designated agent, surrender the same to the ~~Property Tax~~
12 ~~Administrator~~ Tax Commissioner or his or her designated agent. If
13 any such car line company fails or refuses to surrender the money
14 and credits in accordance with the requirements of this section,
15 such car line company shall be liable to the State of Nebraska in a
16 sum equal to the value of the money and credits not so surrendered
17 but not exceeding the amount of the taxes, interest, and penalties
18 for the collection of which such levy has been made.

19 Sec. 57. Section 77-691, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 77-691 The money realized from any levy made pursuant
22 to section 77-689 shall be first applied by the ~~Property Tax~~
23 ~~Administrator~~ Tax Commissioner toward payment of any costs incurred
24 by virtue of such levy and next to the payment of such taxes,
25 interest, and penalties. Any balance remaining shall then be paid
1 over to the car line company entitled thereto.

2 Sec. 58. Section 77-693, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 77-693 (1) The ~~Property Tax Administrator~~ Tax
5 Commissioner in determining the taxable value of railroads and car
6 lines shall determine the following ratios involving railroad and
7 car line property and commercial and industrial property:

8 (a) The ratio of the taxable value of all commercial
9 and industrial personal property in the state actually subjected
10 to property tax divided by the market value of all commercial and
11 industrial personal property in the state;

12 (b) The ratio of the taxable value of all commercial
13 and industrial real property in the state actually subjected to
14 property tax divided by the market value of all commercial and
15 industrial real property in the state;

16 (c) The ratio of the taxable value of railroad personal
17 property to the market value of railroad personal property. The
18 numerator of the ratio shall be the taxable value of railroad
19 personal property. The denominator of the ratio shall be the
20 railroad system value allocated to Nebraska and multiplied by
21 a factor representing the net book value of rail transportation
22 personal property divided by the net book value of total rail
23 transportation property;

24 (d) The ratio of the taxable value of railroad real
25 property to the market value of railroad real property. The
1 numerator of the ratio shall be the taxable value of railroad real

2 property. The denominator of the ratio shall be the railroad system
3 value allocated to Nebraska and multiplied by a factor representing
4 the net book value of rail transportation real property divided by
5 the net book value of total rail transportation property; and

6 (e) Similar calculations shall be made for car line
7 taxable properties.

8 (2) If the ratio of the taxable value of railroad and
9 car line personal or real property exceeds the ratio of the
10 comparable taxable commercial and industrial property by more than
11 five percent, the ~~Property Tax Administrator~~ Tax Commissioner may
12 adjust the value of such railroad and car line property to the
13 percentage of the comparable taxable commercial and industrial
14 property pursuant to federal statute or Nebraska federal court
15 decisions applicable thereto.

16 (3) For purposes of this section, commercial and
17 industrial property shall mean all real and personal property
18 which is devoted to commercial or industrial use other than rail
19 transportation property and land used primarily for agricultural
20 purposes.

21 Sec. 59. Section 77-701, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 77-701 (1) Commencing on July 1, 2007, all powers and
24 duties of the Property Tax Administrator shall be vested with the
25 Tax Commissioner. A ~~department~~ division of state government to
1 be known as the ~~Department of Property Assessment and Taxation~~

2 property assessment division of the Department of Revenue is
3 established. The Property Tax Administrator Tax Commissioner shall
4 be the chief executive officer of the department. ~~division.~~

5 (2) The goals and functions of the Department of
6 Property Assessment and Taxation division shall be to: (a) Execute
7 faithfully the property tax laws of the State of Nebraska; (b)
8 provide for efficient, updated methods and systems of property tax
9 reporting, enforcement, and related activities; and (c) continually
10 seek to improve its system of administration.

11 ~~(3) The property tax division of the Department of~~
12 ~~Revenue shall, after July 1, 1999, be known as the Department~~
13 ~~of Property Assessment and Taxation. The Department of Property~~
14 ~~Assessment and Taxation is an agency of the State of Nebraska~~
15 ~~and shall consist of the Property Tax Administrator and the~~
16 ~~necessary employees to perform the functions of the department in~~
17 ~~an efficient manner.~~

18 ~~(4) The Property Tax Administrator, through the~~
19 ~~department, shall exercise those powers, duties, and functions~~
20 ~~vested in and administered by the Property Tax Administrator.~~

21 ~~(5) The Property Tax Administrator shall establish,~~
22 ~~consistent with the laws of the State of Nebraska, such divisions~~
23 ~~or bureaus or other subdivisions within the department as he or she~~
24 ~~may find necessary or desirable to improve the administration of~~
25 ~~the property tax laws of this state.~~

1 ~~(6) (3) All employees, budget requirements, furniture,~~

2 equipment, books, files, and records, utilized by the ~~property~~
3 ~~tax division of the Department of Revenue~~ Department of Property
4 Assessment and Taxation for the administration of property
5 valuation and equalization, shall be transferred and delivered to
6 the ~~Department of Property Assessment and Taxation~~ division. The
7 transferred employees shall not lose any accrued benefits or status
8 due to the transfer and shall receive the same benefits as other
9 state employees, including participation in the State Employees
10 Retirement Act.

11 Sec. 60. Section 77-702, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-702 (1) ~~Commencing with the expiration of the term~~
14 ~~of the Property Tax Administrator holding office on July 1, 1999,~~
15 ~~the Governor shall appoint a Property Tax Administrator with the~~
16 ~~approval of a majority of the members of the Legislature. The~~
17 ~~Property Tax Administrator shall have experience and training in~~
18 ~~the fields of taxation and property appraisal and shall meet all~~
19 ~~the qualifications required for members of the Tax Equalization~~
20 ~~and Review Commission under subsections (1) and (2) and subdivision~~
21 ~~(6)(a) of section 77-5004. The administrator shall serve a six-year~~
22 ~~term. The Property Tax Administrator may be removed by the Governor~~
23 ~~for misfeasance, malfeasance, or willful neglect of duty or other~~
24 ~~cause after notice and a public hearing unless notice and hearing~~
25 ~~are expressly waived in writing by the Property Tax Administrator.~~
1 The Property Tax Administrator shall adopt and promulgate rules and

2 ~~regulations to carry out his or her duties.~~ Rules and regulations
3 of the ~~Property Tax Administrator~~ Tax Commissioner in effect on
4 July 1, ~~1999,~~ 2007, shall be valid rules and regulations of the
5 Department of ~~Property Assessment and Taxation~~ Revenue beginning on
6 July 1, ~~1999,~~ 2007.

7 (2) In addition to any duties, powers, or
8 responsibilities otherwise conferred upon the ~~Property Tax~~
9 ~~Administrator,~~ Tax Commissioner, he or she shall administer and
10 enforce all laws related to the state supervision of local
11 property tax administration and the central assessment of property
12 subject to property taxation. The ~~Property Tax Administrator~~ Tax
13 Commissioner shall also advise county assessors regarding the
14 administration and assessment of taxable property within the state
15 and measure assessment performance in order to determine the
16 accuracy and uniformity of assessments.

17 Sec. 61. Section 77-705, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 77-705 The form of all schedules, books of instruction,
20 assessment and tax books, records, and other forms which may
21 be necessary or expedient for the proper administration of the
22 property tax laws of the state shall be approved by the property
23 assessment division of the Department of Property Assessment and
24 ~~Taxation.~~ Revenue. All such schedules, forms, and documents shall
25 be uniform throughout the several counties insofar as the same
1 is possible and practicable. The department may provide forms on

2 a reimbursement basis. Alterations to any prescribed form may be
3 made only upon written application to and written approval from the
4 ~~Property Tax Administrator~~ Tax Commissioner.

5 Sec. 62. Section 77-706, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 77-706 The Department of ~~Property Assessment and Taxation~~
8 Revenue may develop and implement such agreements and working
9 relationships which are consistent with the laws of the State
10 of Nebraska with any federal office, state agency, or local
11 subdivision of state government, either within or without the State
12 of Nebraska, which it may find necessary or desirable for proper
13 administration of the property tax laws of this state.

14 Sec. 63. Section 77-709, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 77-709 The property assessment division of the Department
17 of ~~Property Assessment and Taxation~~ Revenue shall publish an
18 annual report detailing property tax valuations, taxes levied, and
19 property tax rates throughout the state. The annual report shall
20 display information by political subdivision and by property type
21 within each county and also include statewide summarizations. The
22 department may charge a fee for copies of the annual report. The
23 ~~Property Tax Administrator~~ Tax Commissioner shall set the fee,
24 based on the reasonable cost of production.

25 Sec. 64. Section 77-801, Revised Statutes Cumulative
1 Supplement, 2006, is amended to read:

2 77-801 All public service entities shall, on or before
3 April 15 of each year, furnish a statement specifying such
4 information as may be required by the ~~Property Tax Administrator~~
5 Tax Commissioner on forms prescribed by the ~~Property Tax~~
6 ~~Administrator~~ Tax Commissioner to determine and distribute the
7 entity's total taxable value including the franchise value. All
8 information reported by the public service entities, not available
9 from any other public source, and any memorandum thereof shall be
10 confidential and available to taxing officials only. For good cause
11 shown, the ~~Property Tax Administrator~~ Tax Commissioner may allow an
12 extension of time in which to file such statement. Such extension
13 shall not exceed fifteen days after April 15.

14 The returns of public service entities shall not be held
15 to be conclusive as to the taxable value of the property, but
16 the ~~Property Tax Administrator~~ Tax Commissioner shall, from all
17 the information which he or she is able to obtain, find the
18 taxable value of all such property, including tangible property and
19 franchises, and shall assess such property on the same basis as
20 other property is required to be assessed.

21 The county assessor shall assess all nonoperating
22 property of any public service entity. A public service entity
23 operating within the State of Nebraska shall, on or before January
24 1 of each year, report to the county assessor of each county in
25 which it has situs all nonoperating property belonging to such
1 entity which is not subject to assessment and assessed by the

2 ~~Property Tax Administrator~~ Tax Commissioner under section 77-802.

3 Sec. 65. Section 77-801.02, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 77-801.02 The ~~Property Tax Administrator~~ Tax Commissioner
6 shall have power to require any officer, agent, or servant of
7 any public service entity having any portion of its property
8 in this state to attend a hearing and to answer under oath
9 questions regarding the property. The ~~Property Tax Administrator~~
10 Tax Commissioner shall have power to issue whatever notice or
11 process may be necessary to compel the attendance of any such
12 person as a witness.

13 Sec. 66. Section 77-802, Revised Statutes Cumulative
14 Supplement, 2006, is amended to read:

15 77-802 The ~~Property Tax Administrator~~ Tax Commissioner
16 shall apportion the total taxable value including the franchise
17 value to all taxing subdivisions in proportion to the ratio of
18 the original cost of all operating real and tangible personal
19 property of that public service entity having a situs in that
20 taxing subdivision to the original cost of all operating real and
21 tangible personal property of that public service entity having a
22 situs in the state.

23 If the apportionment in accordance with this section does
24 not fairly represent the proportion of the taxable value, including
25 franchise value properly allocable to the county, the taxpayer may
1 petition for or the ~~Property Tax Administrator~~ Tax Commissioner

2 may require the inclusion of any other method to effectuate an
3 equitable allocation of the value of the public service entity for
4 purposes of taxation.

5 On or before July 25, the ~~Property Tax Administrator~~ Tax
6 Commissioner shall mail a draft appraisal to each public service
7 entity as defined in section 77-801.01. On or before August 10,
8 the ~~Property Tax Administrator~~ Tax Commissioner shall, by certified
9 mail, notify each public service entity of its taxable value and
10 the distribution of that value to the taxing subdivisions in which
11 the entity has situs. On or before August 10, the ~~Property Tax~~
12 ~~Administrator~~ Tax Commissioner shall also certify to the county
13 assessors the taxable value so determined.

14 Sec. 67. Section 77-802.01, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 77-802.01 For purposes of certifying values pursuant
17 to section 13-509, the county assessor shall include the public
18 service entity value as certified by the ~~Property Tax Administrator~~
19 Tax Commissioner pursuant to section 77-802. The taxes so levied
20 shall be included upon the personal property tax roll and be due
21 and payable in the same manner as personal property taxes pursuant
22 to sections 77-203 and 77-204. From the date the taxes are due
23 and payable, the taxes shall be a first lien upon the personal
24 property of the public service entity to whom assessed until paid.
25 The procedure for the collection of any delinquent tax pursuant
1 to this section shall be that used for the collection of personal

2 property tax.

3 Sec. 68. Section 77-802.02, Revised Statutes Cumulative
4 Supplement, 2006, is amended to read:

5 77-802.02 On or before September 10, if a public service
6 entity feels aggrieved, such public service entity may file an
7 appeal with the ~~Property Tax Administrator.~~ Tax Commissioner. The
8 ~~Property Tax Administrator~~ Tax Commissioner shall act upon the
9 appeal and shall issue a written order mailed to the entity
10 within seven days after the date of the order. The order may be
11 appealed within thirty days after the date of the order to the
12 Tax Equalization and Review Commission in accordance with section
13 77-5013.

14 Sec. 69. Section 77-803, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 77-803 For each day's failure to furnish the statement
17 required by section 77-801 or for each day's failure to furnish
18 the information as required on those statements, the public
19 service entity may be assessed a penalty in the amount of
20 one hundred dollars, except that the penalty shall not exceed
21 ten thousand dollars. Such penalty shall be collected by the
22 ~~Property Tax Administrator~~ Tax Commissioner and credited to the
23 Department of ~~Property Assessment and Taxation~~ Revenue Property
24 Assessment Division Cash Fund. The ~~Property Tax Administrator,~~ Tax
25 Commissioner, in his or her discretion, may waive all or part of
1 the penalty provided in this section.

2 Sec. 70. Section 77-804, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 77-804 Any sale of a public service entity as defined
5 in section 77-801.01 shall be reported by the purchaser to the
6 ~~Property Tax Administrator~~ Tax Commissioner within thirty days
7 from the date of the sale. The purchaser shall identify the
8 seller, the date of the sale, any change in name of the entity,
9 and the purchase price of the entity. If additional information
10 regarding the sale is needed by the ~~Property Tax Administrator,~~ Tax
11 Commissioner, a specific written request shall be made. For each
12 day's failure to furnish the information, an entity may be assessed
13 a penalty in the amount of one hundred dollars, except that the
14 penalty shall not exceed ten thousand dollars. Such penalty shall
15 be collected by the ~~Property Tax Administrator~~ Tax Commissioner
16 and credited to the Department of ~~Property Assessment and Taxation~~
17 Revenue Property Assessment Division Cash Fund. The ~~Property Tax~~
18 ~~Administrator~~ Tax Commissioner may waive all or part of the penalty
19 provided in this section.

20 Sec. 71. Section 77-1216, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 77-1216 Questions that may arise as to the proper place
23 to list personal property shall be determined as follows:

24 (1) If between several places in the same county, the
25 place for listing and assessing shall be determined and fixed by
1 the county board; and

2 (2) If between different counties, the place for listing
3 and assessing shall be determined by the ~~Property Tax Administrator~~
4 Tax Commissioner under the provisions of the Administrative
5 Procedure Act.

6 When fixed in either case, it shall be as binding as if
7 fixed by specific statutory provision.

8 Sec. 72. Section 77-1229, Revised Statutes Cumulative
9 Supplement, 2006, is amended to read:

10 77-1229 (1) Every person required by section 77-1201
11 to list and value taxable tangible personal property shall list
12 such property upon the forms prescribed by the ~~Property Tax~~
13 ~~Administrator.~~ Tax Commissioner. The forms shall be available from
14 the county assessor and when completed shall be signed by each
15 person or his or her agent and be filed with the county assessor.
16 The forms shall be filed on or before May 1 of each year.

17 (2) Any person seeking a personal property exemption
18 pursuant to subsection (2) of section 77-4105 or the Nebraska
19 Advantage Act shall annually file a copy of the forms required
20 pursuant to section 77-4105 or the act with the county assessor
21 in each county in which the person is requesting exemption. The
22 copy shall be filed on or before May 1. Failure to timely file
23 the required forms shall cause the forfeiture of the exemption for
24 the tax year. If a taxpayer pursuant to this subsection also has
25 taxable tangible personal property, such property shall be listed
1 and valued as required under subsection (1) of this section.

2 Sec. 73. Section 77-1233.06, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 77-1233.06 For purposes of section 77-1233.04:

5 (1) The county assessor shall notify the taxpayer,
6 on a form prescribed by the ~~Property Tax Administrator~~, Tax
7 Commissioner, of the action taken, the penalty, and the rate
8 of interest. The notice shall also state the taxpayer's appeal
9 rights and the appeal procedures. Such notice shall be given by
10 first-class mail addressed to such taxpayer's last-known address.
11 The entire penalty and interest shall be waived if the omission or
12 failure to report any item of tangible personal property was for
13 the reason that the property was timely reported in the wrong tax
14 district;

15 (2) The taxpayer may appeal the action of the county
16 assessor, either as to the valuation or the penalties imposed,
17 to the county board of equalization within thirty days after the
18 date of notice. The taxpayer shall preserve his or her appeal by
19 filing a written appeal with the county clerk in the same manner
20 as prescribed for protests in section 77-1502. The action of the
21 county assessor shall become final unless a written appeal is filed
22 within the time prescribed;

23 (3) The action of the county board of equalization, in
24 an appeal of the penalties imposed, shall be limited to correcting
25 penalties which were wrongly imposed or incorrectly calculated.

1 The county board of equalization shall have no authority to waive

2 or reduce any penalty which was correctly imposed and calculated.
3 The entire penalty and interest on the penalty shall be waived if
4 the omission or failure to report any item of tangible personal
5 property was for the reason that the property was timely reported
6 in the wrong tax district;

7 (4) Upon ten days' notice to the taxpayer, the county
8 board of equalization shall set a date for hearing the appeal
9 of the taxpayer. The county board of equalization shall make its
10 determination on the appeal within thirty days after the date
11 of hearing. The county clerk shall, within seven days after the
12 determination of the county board, send notice to the taxpayer
13 and the county assessor, on forms prescribed by the ~~Property Tax~~
14 ~~Administrator,~~ Tax Commissioner, of the action of the county board.
15 Appeal may be taken within thirty days after the decision of the
16 county board of equalization to the Tax Equalization and Review
17 Commission; and

18 (5) Taxes and penalties assessed for the current year,
19 if not delinquent, shall be certified to the county treasurer
20 and collected as if the property had been properly reported for
21 taxation, except that separate tax statements may be mailed.
22 Taxes and penalties assessed for the current year, if delinquent,
23 and taxes and penalties assessed for prior years shall be
24 certified to the county treasurer, and the taxes, penalties,
25 and interest thereon shall be due and collectible immediately upon
1 certification. Collection procedures shall be started immediately

2 regardless of the provisions of any other statute to the contrary.

3 Sec. 74. Section 77-1245, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 77-1245 Any tax upon or measured by the value of
6 flight equipment of air carriers incorporated or doing business
7 in this state shall be assessed, collected by the ~~Property Tax~~
8 ~~Administrator,~~ Tax Commissioner, and disbursed as provided in
9 section 77-1250. The proportion of flight equipment allocated to
10 this state for purposes of taxation shall be the arithmetical
11 average of the following three ratios: (1) The ratio which the
12 aircraft arrivals and departures within this state scheduled by
13 such air carrier during the preceding calendar year bears to the
14 total aircraft arrivals and departures within and without this
15 state scheduled by such carrier during the same period, except that
16 in the case of nonscheduled operations all arrivals and departures
17 shall be substituted for scheduled arrivals and departures; (2)
18 the ratio which the revenue tons handled by such air carrier at
19 airports within this state during the preceding calendar year bears
20 to the total revenue tons handled by such carrier at airports
21 within and without this state during the same period; and (3)
22 the ratio which such air carrier's originating revenue within
23 this state for the preceding calendar year bears to the total
24 originating revenue of such carrier within and without this state
25 for the same period.

1 If allocation in accordance with the provisions of

2 this section does not fairly represent the proportion of flight
3 equipment properly allocable to this state, the taxpayer may
4 petition for, or the ~~Property Tax Administrator~~ Tax Commissioner
5 may require, the inclusion of one or more additional ratios or
6 the employment of any other method to effectuate an equitable
7 allocation of the taxpayer's flight equipment for purposes of
8 taxation.

9 Sec. 75. Section 77-1247, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 77-1247 (1) Each air carrier, as defined in section
12 77-1244, shall on or before June 1 in each year make to the
13 ~~Property Tax Administrator~~ Tax Commissioner a report, in such
14 form as may be prescribed by the ~~Property Tax Administrator,~~ Tax
15 Commissioner, containing the information necessary to determine the
16 value of its flight equipment and the proportion allocated to this
17 state for purposes of taxation as provided in section 77-1246. For
18 good cause shown, the ~~Property Tax Administrator~~ Tax Commissioner
19 may allow an extension of time in which to file such report. Such
20 extension shall not exceed thirty days after June 1.

21 (2) For each day's failure to furnish the report required
22 by subsection (1) of this section or for each day's failure to
23 furnish the information as required on the report, the air carrier
24 may be assessed a penalty in the amount of one hundred dollars,
25 except that the penalty shall not exceed ten thousand dollars. Such
1 penalty shall be collected by the ~~Property Tax Administrator~~ Tax

2 Commissioner and credited to the Department of ~~Property Assessment~~
3 ~~and Taxation~~ Revenue Property Assessment Division Cash Fund. The
4 ~~Property Tax Administrator,~~ Tax Commissioner, in his or her
5 discretion, may waive all or part of the penalty provided in
6 this section.

7 Sec. 76. Section 77-1248, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 77-1248 The ~~Property Tax Administrator~~ Tax Commissioner
10 shall ascertain from the reports made and from any other
11 information obtained by him or her the taxable value of the flight
12 equipment of air carriers and the proportion allocated to this
13 state for the purposes of taxation as provided in section 77-1245.

14 Sec. 77. Section 77-1249, Revised Statutes Cumulative
15 Supplement, 2006, is amended to read:

16 77-1249 The ~~Property Tax Administrator~~ Tax Commissioner
17 shall, on or before January 15 each year, establish a tax rate
18 for purposes of taxation against the taxable value as provided
19 in section 77-1248 at a rate which shall be equal to the total
20 property taxes levied in the state divided by the total taxable
21 value of all taxable property in the state as certified pursuant
22 to section 77-1613.01. The date when such tax rate is determined
23 shall be deemed to be the levy date for the property. The ~~Property~~
24 ~~Tax Administrator~~ Tax Commissioner shall send to each air carrier a
25 statement showing the taxable value, the tax rate, and the amount
1 of the tax and a statement that the tax is due and payable to

2 the ~~Property Tax Administrator~~ Tax Commissioner on January 31 next
3 following the levy thereof. If an air carrier feels aggrieved,
4 such carrier may, on or before February 15, file an appeal with
5 the ~~Property Tax Administrator.~~ Tax Commissioner. The ~~Property Tax~~
6 ~~Administrator~~ Tax Commissioner shall act upon the appeal and shall
7 issue a written order mailed to the carrier within seven days after
8 the date of the order. The order may be appealed within thirty days
9 after the date of the order to the Tax Equalization and Review
10 Commission in accordance with section 77-5013.

11 Sec. 78. Section 77-1249.01, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-1249.01 One-half of the taxes levied and due under
14 sections 77-1249 and 77-1250 shall become delinquent March 1, and
15 the second half on July 1, next following the date the tax has
16 become due.

17 All delinquent taxes shall draw interest from the date
18 they become delinquent at a rate equal to the maximum rate of
19 interest allowed per annum under section 45-104.01, as such rate
20 may from time to time be adjusted by the Legislature, and the
21 interest shall be collected and distributed the same as the tax on
22 which the interest accrues. If such taxes and interest due thereon
23 shall not have been paid on July 1 following the levy thereof, the
24 ~~Property Tax Administrator~~ Tax Commissioner shall collect the same
25 by distress and sale of any property belonging to such delinquent
1 person in like manner as required of county treasurers and county

2 sheriffs in like cases.

3 Sec. 79. Section 77-1250, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 77-1250 The tax levied pursuant to section 77-1249 shall,
6 on January 31 next following the date of levy, be a first
7 lien from that date on the personal property, both tangible
8 and intangible, of the person assessed until the liability is
9 satisfied or otherwise released or discharged. Such lien shall
10 be filed and enforced pursuant to the Uniform State Tax Lien
11 Registration and Enforcement Act. ~~The Property Tax Administrator~~
12 Tax Commissioner shall remit the tax paid to the State Treasurer,
13 and the tax collected, less a three percent collection fee, shall
14 be distributed to the counties to the credit of the county general
15 fund proportionate to the amount the total property taxes levied
16 in the county bears to the total property taxes levied in the
17 state as a whole, as certified pursuant to section 77-1613.01.
18 The collection fee shall be credited by the State Treasurer to
19 the Department of ~~Property Assessment and Taxation~~ Revenue Property
20 Assessment Division Cash Fund.

21 Sec. 80. Section 77-1250.02, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 77-1250.02 The owner, lessee, or manager of any aircraft
24 hangar or land upon which is parked or located any aircraft as
25 defined by section 3-101 shall report by February 1 of each year
1 to the county assessor in the county in which such aircraft hangar

2 or land is located all aircraft as defined by section 3-101 located
3 thereon in such hangar or on such land as of January 1 of each
4 year on a form prescribed by the ~~Property Tax Administrator.~~
5 Tax Commissioner. Any person violating the provisions of this
6 section shall be guilty of a misdemeanor and shall, upon conviction
7 thereof, be punished by a fine of not more than fifty dollars.

8 Sec. 81. Section 77-1250.03, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 77-1250.03 If any taxes levied on air carriers as defined
11 in section 77-1244 and interest and penalties due thereon shall
12 not have been paid on July 1, following the levy thereof,
13 the total amount shall be a lien in favor of the State of
14 Nebraska upon all money and credits belonging to such air carriers
15 until the liability therefor is satisfied or otherwise released
16 or discharged, and it shall be lawful for the ~~Property Tax~~
17 ~~Administrator~~ Tax Commissioner or his or her designated agent to
18 collect such total amount by issuing a distress warrant and making
19 levy upon all money and credits belonging to such air carriers.
20 Such lien shall be filed and enforced pursuant to the Uniform State
21 Tax Lien Registration and Enforcement Act.

22 Sec. 82. Section 77-1250.04, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 77-1250.04 Any person or corporation in possession of any
25 such money and credits belonging to air carriers as defined in
1 section 77-1244 upon which levy has been made shall, upon demand

2 of the ~~Property Tax Administrator~~ Tax Commissioner or his or her
3 agent, surrender the same to the ~~Property Tax Administrator~~ Tax
4 Commissioner or his or her agent. If any person or corporation
5 fails or refuses to surrender the same in accordance with the
6 requirements of this section, such person shall be liable to the
7 State of Nebraska in a sum equal to the value of the property
8 or rights not so surrendered but not exceeding the amount of the
9 taxes, interest, and penalties for the collection of which such
10 levy has been made.

11 Sec. 83. Section 77-1250.05, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-1250.05 The money realized from any levy under
14 sections 77-1250.03 and 77-1250.04 shall be first applied by the
15 ~~Property Tax Administrator~~ Tax Commissioner toward payment of any
16 costs incurred by virtue of such levy and next to the payment of
17 such taxes, interest, and penalties, and any balance remaining
18 shall then be paid over to the person entitled thereto.

19 Sec. 84. Section 77-1301.01, Reissue Revised Statutes of
20 Nebraska, is amended to read:

21 77-1301.01 The ~~Property Tax Administrator~~ Tax
22 Commissioner shall adopt and promulgate rules and regulations to
23 establish standards for the appraisal of classes or subclasses of
24 real property in a county. The standards established shall require
25 that the appraisal shall be based upon the use of manuals developed
1 pursuant to section 77-1330 and shall arrive at a determination

2 of taxable value on a consistent basis in accordance with the
 3 methods prescribed in sections 77-112 and 77-201. The ~~Property Tax~~
 4 ~~Administrator~~ Tax Commissioner shall also establish standards for
 5 appraisal contracts which shall, among other provisions, require
 6 that all such contracts shall require the use of manuals developed
 7 pursuant to section 77-1330. No appraisal contract shall be valid
 8 until approved in writing by the ~~Property Tax Administrator.~~ Tax
 9 Commissioner.

10 Sec. 85. Section 77-1306.01, Reissue Revised Statutes of
 11 Nebraska, is amended to read:

12 77-1306.01 In all counties where land ownership may from
 13 time to time be altered to add new lands to the tax rolls due to
 14 the activity of any river, stream, or other body of water along or
 15 bordering state lines, whether by accretion or avulsion, it shall
 16 be the duty of the county surveyor prior to June 1, 1960, and at
 17 least once within each five-year period thereafter either to cause
 18 to be surveyed any lands believed to have been altered in such
 19 manner or to certify in writing that it is his or her opinion that
 20 no alteration of ownership of any land in the county from that
 21 shown by the then current tax rolls has occurred due to the action
 22 of any river, stream, or other body of water along or bordering
 23 state lines. A report of such survey or surveys, showing the extent
 24 of any probable alteration of ownership due to the action of a
 25 river, stream, or other body of water along or bordering state
 1 lines, or a certificate of no change as provided shall be filed

2 with the county assessor within the periods hereinbefore stated. In
3 any county where there is no regularly elected or appointed county
4 surveyor the county board shall appoint a qualified surveyor to
5 carry out the provisions of this section. In the event of a failure
6 of county officials to act as directed by this section, within the
7 periods stated, the ~~Property Tax Administrator~~ Tax Commissioner may
8 appoint a qualified surveyor to act as provided by this section,
9 and all costs incurred shall be paid by the county. In all counties
10 where land ownership may from time to time be altered due to the
11 activity of any river, stream, or other body of water not along
12 or bordering state lines, whether by accretion or avulsion, it
13 shall be the duty of the county surveyor to cause to be surveyed
14 any lands believed to have been altered when directed by the
15 county board of equalization or when requested by the ~~Property Tax~~
16 ~~Administrator.~~ Tax Commissioner. If such a survey is ordered by
17 the county board of equalization or requested by the ~~Property Tax~~
18 ~~Administrator,~~ Tax Commissioner, the county surveyor shall perform
19 the same duties as when a river, stream, or other body of water is
20 along or borders state lines.

21 Sec. 86. Section 77-1311, Revised Statutes Cumulative
22 Supplement, 2006, is amended to read:

23 77-1311 The county assessor shall have general
24 supervision over and direction of the assessment of all property
25 in his or her county. In addition to the other duties provided by
1 law, the county assessor shall:

2 (1) Annually revise the real property assessment for the
3 correction of errors;

4 (2) When a parcel has been assessed and thereafter part
5 or parts are transferred to a different ownership, set off and
6 apportion to each its just and equitable portion of the assessment;

7 (3) Obey all rules and regulations made under Chapter
8 77 and the instructions and orders sent out by the ~~Property Tax~~
9 ~~Administrator~~ Tax Commissioner and the Tax Equalization and Review
10 Commission;

11 (4) Examine the records in the office of the register
12 of deeds and county clerk for the purpose of ascertaining whether
13 the property described in producing mineral leases, contracts, and
14 bills of sale, have been fully and correctly listed and add to the
15 assessment roll any property which has been omitted; and

16 (5) Prepare the assessment roll as defined in section
17 77-129 and described in section 77-1303.

18 Sec. 87. Section 77-1311.02, Revised Statutes Cumulative
19 Supplement, 2006, is amended to read:

20 77-1311.02 The county assessor shall, on or before June
21 15 each year, prepare a plan of assessment which shall describe
22 the assessment actions the county assessor plans to make for the
23 next assessment year and two years thereafter. The plan shall
24 indicate the classes or subclasses of real property that the county
25 assessor plans to examine during the years contained in the plan
1 of assessment. The plan shall describe all the assessment actions

2 necessary to achieve the levels of value and quality of assessment
3 practices required by law and the resources necessary to complete
4 those actions. The plan shall be presented to the county board of
5 equalization on or before July 31 each year. The county assessor
6 may amend the plan, if necessary, after the budget is approved by
7 the county board. A copy of the plan and any amendments thereto
8 shall be mailed to the Department of ~~Property Assessment and~~
9 ~~Taxation~~ Revenue on or before October 31 each year.

10 Sec. 88. Section 77-1327, Revised Statutes Cumulative
11 Supplement, 2006, is amended to read:

12 77-1327 (1) It is the intent of the Legislature that
13 accurate and comprehensive information be developed by the ~~Property~~
14 ~~Tax Administrator~~ Tax Commissioner and made accessible to the
15 taxing officials and property owners in order to ensure the
16 uniformity and proportionality of the assessments of real property
17 valuations in the state in accordance with law and to provide the
18 statistical and narrative reports pursuant to section 77-5027.

19 (2) All transactions of real property for which the
20 statement required in section 76-214 is filed shall be available
21 for development of a sales file by the ~~Property Tax Administrator.~~
22 Tax Commissioner. All transactions with stated consideration of
23 more than one hundred dollars or upon which more than two dollars
24 and twenty-five cents in documentary stamp taxes are paid shall
25 be considered sales. All sales shall be deemed to be arm's length
1 transactions unless determined to be otherwise under professionally

2 accepted mass appraisal techniques. The Department of ~~Property~~
3 ~~Assessment and Taxation~~ Revenue shall not overturn a determination
4 made by a county assessor regarding the qualification of a sale
5 unless the department reviews the sale and determines through
6 the review that the determination made by the county assessor is
7 incorrect.

8 (3) The ~~Property Tax Administrator~~ Tax Commissioner
9 annually shall make and issue comprehensive assessment ratio
10 studies of the average level of assessment, the degree of
11 assessment uniformity, and the overall compliance with assessment
12 requirements for each major class of real property subject to
13 the property tax in each county. The comprehensive assessment
14 ratio studies shall be developed in compliance with professionally
15 accepted mass appraisal techniques and shall employ such
16 statistical analysis as deemed appropriate by the ~~Property Tax~~
17 ~~Administrator,~~ Tax Commissioner, including measures of central
18 tendency and dispersion. The comprehensive assessment ratio studies
19 shall be based upon the sales file as developed in subsection (2)
20 of this section and shall be used by the ~~Property Tax Administrator~~
21 Tax Commissioner for the analysis of the level of value and quality
22 of assessment for purposes of section 77-5027 and by the ~~Property~~
23 ~~Tax Administrator~~ Tax Commissioner in establishing the adjusted
24 valuations required by section 79-1016. Such studies may also be
25 used by assessing officials in establishing assessed valuations.

1 (4) For purposes of determining the level of value of

2 agricultural and horticultural land subject to special valuation
3 under sections 77-1343 to 77-1348, the ~~Property Tax Administrator~~
4 Tax Commissioner shall annually make and issue a comprehensive
5 study developed in compliance with professionally accepted mass
6 appraisal techniques to establish the level of value if in his
7 or her opinion the level of value cannot be developed through
8 the use of the comprehensive assessment ratio studies developed in
9 subsection (3) of this section.

10 (5) The ~~Property Tax Administrator~~ Tax Commissioner may
11 require assessors and other taxing officials to report data on the
12 assessed valuation and other features of the property assessment
13 for such periods and in such form and content as the ~~Property~~
14 ~~Tax Administrator~~ Tax Commissioner shall deem appropriate. The
15 ~~Property Tax Administrator~~ Tax Commissioner shall so construct and
16 maintain the system used to collect and analyze the data to enable
17 him or her to make intracounty comparisons of assessed valuation,
18 including school districts, as well as intercounty comparisons
19 of assessed valuation, including school districts. The ~~Property~~
20 ~~Tax Administrator~~ Tax Commissioner shall include analysis of real
21 property sales pursuant to land contracts and similar transfers at
22 the time of execution of the contract or similar transfer.

23 Sec. 89. Section 77-1329, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 77-1329 The ~~Property Tax Administrator~~ Tax Commissioner
1 shall require each county assessor to maintain tax maps

2 in accordance with standards specified by the ~~Property Tax~~
3 ~~Administrator~~, Tax Commissioner. Whenever necessary to correct
4 mapping deficiencies, the ~~Property Tax Administrator~~ Tax
5 Commissioner shall install standard maps or approve mapping plans
6 and supervise map production. The ~~Property Tax Administrator~~ Tax
7 Commissioner may require the county to reimburse the state for tax
8 maps installed.

9 Sec. 90. Section 77-1330, Revised Statutes Cumulative
10 Supplement, 2006, is amended to read:

11 77-1330 (1) The ~~Property Tax Administrator~~ Tax
12 Commissioner shall prepare, issue, and annually revise guides
13 for county assessors in the form of property tax laws,
14 rules, regulations, manuals, and directives. The ~~Property Tax~~
15 ~~Administrator~~ Tax Commissioner may issue such directives without
16 the necessity of compliance with the terms of the Administrative
17 Procedure Act relating to the promulgation of rules and
18 regulations. The assessment and appraisal function performed by
19 counties shall comply with the standards promulgated by the
20 ~~Property Tax Administrator~~, Tax Commissioner, and county assessors
21 shall continually use the materials prepared by the ~~Property Tax~~
22 ~~Administrator~~ Tax Commissioner in the performance of their duties.
23 The standards promulgated by the ~~Property Tax Administrator~~ Tax
24 Commissioner shall not require the implementation of a specific
25 computer software or hardware system if the existing software or
1 system produces data and reports in compliance with the standards.

2 (2) The ~~Property Tax Administrator,~~ Tax Commissioner, or
3 his or her agent or representative, may examine or cause to have
4 examined any books, papers, records, or memoranda of any county
5 relating to the assessment of property to determine compliance with
6 the laws, rules, regulations, manuals, and directives described
7 in subsection (1) of this section. Such production of records
8 shall not include the photocopying of records between January 1
9 and April 1. Failure to provide such records to the ~~Property~~
10 ~~Tax Administrator~~ Tax Commissioner may constitute grounds for the
11 suspension of the assessor's certificate of any county assessor who
12 willfully fails to make requested records available to the ~~Property~~
13 ~~Tax Administrator.~~ Tax Commissioner.

14 (3) After an examination the ~~Property Tax Administrator~~
15 Tax Commissioner shall provide a written report of the results
16 to the county assessor and county board. If the examination
17 indicates a failure to meet the standards contained in the laws,
18 rules, regulations, manuals, and directives, the ~~Property Tax~~
19 ~~Administrator~~ Tax Commissioner shall, in the report, set forth the
20 facts and cause of such failures as well as corrective measures the
21 county or county assessor may implement to correct those failures.

22 (4) After the issuance of the report of the results of
23 the examination, the ~~Property Tax Administrator~~ Tax Commissioner
24 may seek to order a county or county assessor to take corrective
25 measures to remedy any failure to comply with the materials
1 described in subsection (1) of this section. Such corrective orders

2 may only be issued after written notice and a hearing before the
3 ~~Property Tax Administrator~~ Tax Commissioner conducted at least ten
4 days after the issuance of the written notice of hearing. The
5 performance of such corrective measures shall be implemented by
6 the county to which the order is issued. If the county fails to
7 implement such corrective measures, the ~~Property Tax Administrator~~
8 Tax Commissioner may seek to suspend the assessment function of
9 the county under the terms of subsection (5) of this section and
10 shall implement the corrective measures pursuant to subsection (6)
11 of this section. The performance of such corrective measures shall
12 be a charge on the county, and upon completion, the ~~Property~~
13 ~~Tax Administrator~~ Tax Commissioner shall notify the county board
14 of the cost and make demand for such cost. If payment is not
15 received within one hundred twenty days after the start of the next
16 fiscal year, the ~~Property Tax Administrator~~ Tax Commissioner shall
17 report such fact to the State Treasurer. The State Treasurer shall
18 immediately make payment to the Department of ~~Property Assessment~~
19 ~~and Taxation~~ Revenue for the costs incurred by the division for
20 such corrective measures. The payment shall be made out of any
21 money to which such county may be entitled under Chapter 77,
22 articles 27 and 35, and Chapter 66, articles 4 and 6.

23 (5) If, within one year from the service of the order,
24 the measures in the corrective order have not been taken, the
25 ~~Property Tax Administrator~~ Tax Commissioner (a) may, at any time
1 during the continuance of such failure, issue an order requiring

2 the county assessor and county board to show cause why the
3 authority of the county with respect to assessments or any matter
4 related thereto should not be suspended, (b) shall set a time
5 and place at which the ~~Property Tax Administrator~~ Tax Commissioner
6 or his or her representative shall hear the county assessor and
7 county board on the question of compliance by the county assessor
8 or county with the laws, rules, regulations, manuals, directives,
9 or corrective orders described in this section, and (c) after such
10 hearing shall determine whether and to what extent the assessment
11 function of the county shall be so suspended. Such hearing shall
12 be held at least ten days after the issuance of such notice in the
13 county.

14 (6) During the continuance of a suspension pursuant to
15 subsection (5) of this section, the ~~Property Tax Administrator~~
16 Tax Commissioner shall succeed to the authority and duties from
17 which the county has been suspended and shall exercise and perform
18 the same. Such exercise and performance shall be a charge on the
19 suspended county. The suspension shall continue until the ~~Property~~
20 ~~Tax Administrator~~ Tax Commissioner finds that the conditions
21 responsible for the failure to meet the minimum standards contained
22 in the laws, rules, regulations, manuals, and directives have been
23 corrected.

24 (7) The ~~Property Tax Administrator,~~ Tax Commissioner,
25 subject to rules and regulations to be published and furnished to
1 every county assessor and county board, shall have the power to

2 invalidate the certificate of any assessor or deputy assessor who
3 willfully fails or refuses to diligently perform his or her duties
4 in accordance with the laws, rules, regulations, manuals, and
5 orders issued by the ~~Property Tax Administrator~~ Tax Commissioner
6 governing the assessment of property and the duties of each
7 assessor and deputy assessor. No certificate shall be revoked or
8 suspended except after notice and a hearing before the ~~Property~~
9 ~~Tax Administrator~~ Tax Commissioner or his or her designee. Such
10 hearing shall be held at least ten days after the issuance of such
11 notice in the county. Prior to revocation, a one-year probationary
12 period, subject to oversight by the ~~Property Tax Administrator,~~
13 Tax Commissioner, shall be imposed. At the end of the one-year
14 probationary period, a second hearing shall be held. If assessment
15 practices have improved, the probationary period shall end and
16 no revocation shall be made. If assessment practices have not
17 improved, the assessor certificate shall be revoked. If during
18 the probationary period, the assessor continues to willfully fail
19 or refuse to diligently perform his or her duties, the ~~Property~~
20 ~~Tax Administrator~~ Tax Commissioner may immediately hold the second
21 hearing. If the county assessor certificate of a person serving
22 as assessor or deputy assessor is revoked, such person shall
23 be removed from office by the ~~Property Tax Administrator,~~ Tax
24 Commissioner, the office shall be declared vacant, and such person
25 shall not be eligible to hold that office for a period of five
1 years after the date of removal. The ~~Property Tax Administrator~~ Tax

2 Commissioner shall mail a copy of his or her written order to the
3 affected party within seven days after the date of the order.

4 (8) All hearings described in this section shall
5 be governed by the Administrative Procedure Act. Any county
6 aggrieved by a determination of the ~~Property Tax Administrator~~
7 Tax Commissioner after a hearing pursuant to subsections (4) and
8 (5) of this section or alleging that its suspension is no longer
9 justified or any assessor or deputy assessor whose county assessor
10 certificate has been revoked may appeal within thirty days after
11 the date of the written order of the ~~Property Tax Administrator~~
12 Tax Commissioner to the Tax Equalization and Review Commission in
13 accordance with section 77-5013.

14 Sec. 91. Section 77-1331, Revised Statutes Cumulative
15 Supplement, 2006, is amended to read:

16 77-1331 Pursuant to rules and regulations, the ~~Property~~
17 ~~Tax Administrator~~ Tax Commissioner shall, on or before July 1,
18 2007, develop, maintain, and enforce a uniform statewide structure
19 for record identification codes, property record cards, property
20 record files, and other administrative reports required for the
21 administration of the property assessment process. The ~~Property~~
22 ~~Tax Administrator~~ Tax Commissioner shall not require the use of
23 specific computer software or hardware if an existing system
24 produces data and reports in compliance with the rules and
25 regulations of the ~~Property Tax Administrator~~. Tax Commissioner.

1 Sec. 92. Section 77-1332, Reissue Revised Statutes of

2 Nebraska, is amended to read:

3 77-1332 Whenever a county by or pursuant to action
4 of its county board requests the ~~Property Tax Administrator~~ Tax
5 Commissioner to provide engineering, professional, or technical
6 services for the appraisal of major commercial or industrial
7 properties, the ~~Property Tax Administrator~~ Tax Commissioner may,
8 within his or her available resources, provide such services. The
9 county shall pay to the ~~Property Tax Administrator~~ Tax Commissioner
10 the actual cost of such services.

11 Sec. 93. Section 77-1333, Revised Statutes Cumulative
12 Supplement, 2006, is amended to read:

13 77-1333 (1) The county assessor shall perform an
14 income-approach calculation for all rent-restricted housing
15 projects constructed to allow an allocation of low-income housing
16 tax credits under section 42 of the Internal Revenue Code
17 and approved by the Nebraska Investment Finance Authority when
18 considering the assessed valuation to place on the property for
19 each assessment year. The income-approach calculation shall be
20 consistent with any rules and regulations adopted and promulgated
21 by the ~~Property Tax Administrator~~ Tax Commissioner and shall
22 comply with professionally accepted mass appraisal techniques. Any
23 low-income housing tax credits authorized under section 42 of the
24 Internal Revenue Code that were granted to owners of the project
25 shall not be considered income for purposes of the calculation
1 but may be considered in determining the capitalization rate to

2 be used when capitalizing the income stream. The county assessor,
3 in determining the actual value of any specific property, may
4 consider other methods of determining value that are consistent
5 with professionally accepted mass appraisal methods described in
6 section 77-112.

7 (2) The owner of a rent-restricted housing project shall
8 file a statement with the county assessor on or before October 1
9 of each year that details income and expense data for the prior
10 year, a description of any land-use restrictions, and such other
11 information as the county assessor may require.

12 Sec. 94. Section 77-1334, Reissue Revised Statutes of
13 Nebraska, is amended to read:

14 77-1334 ~~The Property Tax Administrator~~ Tax Commissioner
15 may make such inspections, investigations, and studies as may
16 be necessary for the adequate administration of his or her
17 responsibilities pursuant to the provisions of sections 77-701
18 to ~~77-708~~ 77-706 and 77-1327 to 77-1342. Such inspections,
19 investigations, and studies may be made in cooperation with other
20 state agencies, and, in connection therewith, the ~~Property Tax~~
21 ~~Administrator~~ Tax Commissioner may utilize reports and data of
22 other state agencies.

23 Sec. 95. Section 77-1339, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 77-1339 (1) Any two or more contiguous counties may enter
1 into an agreement for joint or cooperative performance of the

2 assessment function.

3 (2) Such agreement shall provide for:

4 (a) The division, merger, or consolidation of
5 administrative functions between or among the parties, or the
6 performance thereof by one county on behalf of all the parties;

7 (b) The financing of the joint or cooperative
8 undertaking;

9 (c) The rights and responsibilities of the parties with
10 respect to the direction and supervision of work to be performed
11 under the agreement;

12 (d) The duration of the agreement and procedures for
13 amendment or termination thereof; and

14 (e) Any other necessary or appropriate matters.

15 (3) The agreement may provide for the suspension of the
16 powers and duties of the office of county assessor in any one or
17 more of the parties.

18 (4) Unless the agreement provides for the performance
19 of the assessment function by the assessor of one county for
20 and on behalf of all other counties party thereto, the agreement
21 shall prescribe the manner of electing the assessor, and the
22 employees of the office, who shall serve pursuant to the agreement.
23 Each county party to the agreement shall be represented in the
24 procedure for choosing such assessor. No person shall be appointed
25 assessor pursuant to an agreement who could not be so appointed
1 for a single county. Except to the extent made necessary by the

2 multicounty character of the assessment agency, qualifications for
3 employment as assessor or in the assessment agency and terms and
4 conditions of work shall be similar to those for the personnel
5 of a single county assessment agency. Any county may include in
6 any one or more of its employee benefit programs an assessor
7 serving pursuant to an agreement made under this section and the
8 employees of the assessment agency. As nearly as practicable, such
9 inclusion shall be on the same basis as for similar employees
10 of a single county only. An agreement providing for the joint
11 or cooperative performance of the assessment function may provide
12 for such assessor and employee coverage in county employee benefit
13 programs.

14 (5) No agreement made pursuant to the provisions of this
15 section shall take effect until it has been approved in writing by
16 the ~~Property Tax Administrator~~ Tax Commissioner.

17 (6) Copies of any agreement made pursuant to the
18 provisions of this section, and of any amendment thereto, shall
19 be filed in the office of the ~~Property Tax Administrator~~ Tax
20 Commissioner and county board of the counties involved.

21 Sec. 96. Section 77-1340, Revised Statutes Cumulative
22 Supplement, 2006, is amended to read:

23 77-1340 (1) The county board of a county may, by
24 resolution, request the ~~Property Tax Administrator~~ Tax Commissioner
25 to assume the county assessment function and to perform the same in
1 and for the county. Such a resolution must be adopted on or before

2 October 31, 2006, and every other year thereafter.

3 (2) If the ~~Property Tax Administrator~~ Tax Commissioner
4 finds that direct state performance of the function will be
5 either (a) necessary or desirable for the economic and efficient
6 performance thereof or (b) necessary or desirable for improving
7 the quality of assessment in the state, he or she may recommend
8 assumption of the county assessment function. The ~~Property Tax~~
9 ~~Administrator~~ Tax Commissioner shall decide whether to recommend
10 assumption and deliver such recommendation to the Governor and the
11 Legislature by December 15, 2006, and every other year thereafter.

12 (3) The ~~Property Tax Administrator~~ Tax Commissioner
13 may recommend assuming the county assessment function or reject
14 assuming such function. If the ~~Property Tax Administrator~~ Tax
15 Commissioner rejects the request, the county assessment function
16 shall not be transferred and the county may make another request.

17 (4) Upon a recommendation by the ~~Property Tax~~
18 ~~Administrator~~ Tax Commissioner that the assumption of the county
19 assessment function should be undertaken according to the criteria
20 in subsection (2) of this section, the ~~Property Tax Administrator~~
21 Tax Commissioner shall request from the Legislature a sufficient
22 appropriation in the next regular session of the Legislature
23 following the recommendation to assume the county assessment
24 function. If the appropriation is not made, the ~~Property Tax~~
25 ~~Administrator~~ Tax Commissioner shall notify the county on or
1 before July 1 that the county assessment function will not be

2 undertaken. If a sufficient appropriation is made, the ~~Property Tax~~
3 ~~Administrator~~ Tax Commissioner shall notify the county on or before
4 July 1 that the county assessment function will be undertaken
5 beginning the next following July 1.

6 (5) If the ~~Property Tax Administrator~~ Tax Commissioner
7 recommends assumption of the county assessment function and
8 the Legislature makes an appropriation which the ~~Property Tax~~
9 ~~Administrator~~ Tax Commissioner determines is sufficient to
10 undertake the assumption, then commencing on the second July 1
11 after the adoption of the resolution by the county board, (a) the
12 ~~Property Tax Administrator~~ Tax Commissioner shall undertake and
13 perform the county assessment function and all other duties and
14 functions of the county assessor's office, including appraisal
15 and reappraisal, (b) the office and functions of the county
16 assessor shall be suspended, and (c) the performance of the
17 county assessment function by the ~~Property Tax Administrator~~ Tax
18 Commissioner shall be deemed performance by the county assessor.
19 Upon the assumption of the county assessment function by the
20 ~~Property Tax Administrator,~~ Tax Commissioner, the term of office
21 of the incumbent county assessor shall terminate and the county
22 need no longer elect a county assessor pursuant to section 32-519.
23 At that time, the county assessor and the employees of the county
24 assessor's office shall become state employees with the status of
25 newly hired employees except as provided in section 77-1340.02.
1 No transferred county assessor or employee shall incur a loss of

2 income or the right to participate in state-sponsored benefits as
3 a result of becoming a state employee with the status of a newly
4 hired employee pursuant to this section.

5 Sec. 97. Section 77-1340.01, Reissue Revised Statutes of
6 Nebraska, is amended to read:

7 77-1340.01 When a transfer of the assessment function has
8 been made pursuant to section 77-1340, the county shall maintain,
9 at no additional cost to the state, office and service facilities
10 used for the office of the county assessor and assessment functions
11 as such facilities existed at the time of the county board
12 resolution authorizing a transfer. All furniture, computers, and
13 equipment used by the county to perform the assessment function
14 prior to the transfer shall remain the property of the county.
15 All books, files, and similar records shall be transferred to the
16 ~~Property Tax Administrator.~~ Tax Commissioner.

17 Sec. 98. Section 77-1342, Revised Statutes Cumulative
18 Supplement, 2006, is amended to read:

19 77-1342 There is hereby created a fund to be known
20 as the Department of ~~Property Assessment and Taxation~~ Revenue
21 Property Assessment Division Cash Fund to which shall be credited
22 all money received by the Department of ~~Property Assessment and~~
23 ~~Taxation~~ Revenue for services performed for county and multicounty
24 assessment districts, for charges for publications, manuals, and
25 lists, as an assessor's examination fee authorized by section
1 77-421, and under the provisions of sections 60-3,202, 77-684,

2 and 77-1250. The fund shall be used to carry out any duties
3 and responsibilities of the department. The county or multicounty
4 assessment district shall be billed by the department for services
5 rendered. Reimbursements to the department shall be credited to the
6 fund, and expenditures therefrom shall be made only when such funds
7 are available. The department shall only bill for the actual amount
8 expended in performing the service.

9 The fund shall not, at the close of each year, be lapsed
10 to the General Fund. Any money in the Department of ~~Property~~
11 ~~Assessment and Taxation~~ Revenue Property Assessment Division Cash
12 Fund available for investment shall be invested by the state
13 investment officer pursuant to the Nebraska Capital Expansion Act
14 and the Nebraska State Funds Investment Act.

15 Any money in the Department of Property Assessment and
16 Taxation Cash Fund on the operative date of this act shall
17 be transferred to the Department of Revenue Property Assessment
18 Division Cash Fund on such date.

19 Sec. 99. Section 77-1345, Revised Statutes Cumulative
20 Supplement, 2006, is amended to read:

21 77-1345 (1) An applicant seeking special valuation under
22 section 77-1344 shall make application to the county assessor on
23 or before June 30 of the first year in which such valuation is
24 requested.

25 (2)(a) The application shall be made upon forms
1 prescribed by the ~~Property Tax Administrator~~ Tax Commissioner

2 and available from the county assessor and shall include such
3 information as may reasonably be required to determine the
4 eligibility of the applicant and the land.

5 (b) The application shall be signed by any one of the
6 following:

7 (i) The applicant;

8 (ii) Any person of legal age duly authorized in writing
9 to sign an application on behalf of the applicant; or

10 (iii) The guardian or conservator of the applicant or the
11 executor or administrator of the applicant's estate.

12 (c) The assessor shall not approve an application signed
13 by a person whose authority to sign is not a matter of public
14 record in the county unless there is filed with the assessor a true
15 copy of the deed, contract of sale, power of attorney, lease, or
16 other appropriate instrument evidencing the signer's qualification
17 pursuant to subdivision (2)(b) of this section.

18 (3) If the county board of equalization takes action
19 pursuant to section 77-1504 or 77-1507, the applicant may file
20 an application for special valuation within thirty days after the
21 mailing of the valuation notice issued by the county board of
22 equalization pursuant to section 77-1504 or 77-1507.

23 Sec. 100. Section 77-1346, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 77-1346 The ~~Property Tax Administrator~~ Tax Commissioner
1 shall adopt and promulgate rules and regulations to be used by

2 county assessors in determining eligibility for special valuation
3 under section 77-1344 and in determining the special valuation of
4 such land for agricultural or horticultural purposes under section
5 77-1344.

6 Sec. 101. Section 77-1355, Revised Statutes Cumulative
7 Supplement, 2006, is amended to read:

8 77-1355 (1) The Greenbelt Advisory Committee is
9 established to assist and advise the ~~Property Tax Administrator~~
10 Tax Commissioner in developing uniform and proportionate special
11 valuation of agricultural real property which is subject to
12 land-use controls provided for in sections 77-1343 to 77-1348.
13 The advisory committee shall provide advice to the ~~Property Tax~~
14 ~~Administrator~~ Tax Commissioner and the Legislature on rules and
15 regulations under section 77-1346 and methods and practices of
16 state and local assessing officials for such special valuation. The
17 ~~Property Tax Administrator~~ Tax Commissioner shall respond to the
18 recommendations of the advisory committee and explain the basis for
19 approval or rejection of recommendations.

20 (2) The advisory committee shall consist of the following
21 members appointed by the Governor:

22 (a) Two active farmers;

23 (b) An active rancher;

24 (c) A real property appraiser with expertise in the
25 appraisal of agricultural real estate;

1 (d) A professor of agricultural economics at the

2 University of Nebraska Institute of Agriculture and Natural
3 Resources;

4 (e) An elected county assessor or a designee of the
5 county assessor;

6 (f) A local planning and zoning official;

7 (g) An elected county official who has served on an
8 agricultural and horticultural land valuation board; and

9 (h) A county attorney who has an understanding of
10 appraisal processes and problems encountered in the valuation
11 of real property.

12 The members shall serve for terms of four years, except
13 that the Governor shall designate three of the initial members to
14 serve for two-year terms. The members shall select a chairperson
15 from the advisory committee's membership. The advisory committee
16 shall meet at least once annually.

17 (3) The advisory committee shall develop recommendations
18 on:

19 (a) When using comparable sales analysis for purposes
20 of establishing the special valuation under sections 77-1343 to
21 77-1348, how such information may be gathered from other counties
22 and locations within a county;

23 (b) When using an income capitalization approach for such
24 special valuation, the income and expense information to be used
25 and the appropriate method of gathering such information;

1 (c) When using the income capitalization approach, the

2 approved methods of determining the capitalization rate, including
3 methods of gathering valid comparable sales for purposes of
4 determining the capitalization rate on comparable agricultural
5 land and horticultural land; and

6 (d) Any further revisions to sections 77-1343 to 77-1348
7 as the committee deems important for uniform enforcement of
8 such sections and uniform special valuation of agricultural real
9 property.

10 (4) Methods and recommendations developed by the advisory
11 committee shall provide for an annually updated analysis based on a
12 three-year average of the information used. The advisory committee
13 may develop recommendations for valuation methods which provide for
14 special valuation of land used for specialized agricultural crop
15 production which is unique or localized to a specific area. The
16 recommendations shall be provided by October 1 each year.

17 (5) The ~~Property Tax Administrator~~ Tax Commissioner shall
18 provide administrative staff support and information as requested
19 by the advisory committee so long as provision of staff support
20 and information does not impair the ability of the ~~Property~~
21 ~~Tax Administrator~~ Tax Commissioner to carry out other statutory
22 obligations.

23 (6) Members shall be reimbursed for actual and necessary
24 expenses pursuant to sections 81-1174 to 81-1177.

25 Sec. 102. Section 77-1363, Revised Statutes Cumulative
1 Supplement, 2006, is amended to read:

2 77-1363 Agricultural land and horticultural land shall
3 be divided into classes and subclasses of real property under
4 section 77-103.01, including, but not limited to, irrigated
5 cropland, dryland cropland, grassland, wasteland, nurseries,
6 feedlots, and orchards, so that the categories reflect uses
7 appropriate for the valuation of such land according to law.
8 Classes shall be inventoried by subclasses of real property based
9 on soil classification standards developed by the Natural Resources
10 Conservation Service of the United States Department of Agriculture
11 as converted into land capability groups by the ~~Property Tax~~
12 ~~Administrator-~~ Tax Commissioner. County assessors shall utilize and
13 implement soil surveys in the assessment year after the soil survey
14 maps become available from the Natural Resources Conservation
15 Service of the United States Department of Agriculture. Nothing in
16 this section shall be construed to limit the classes and subclasses
17 of real property that may be used by county assessors or the Tax
18 Equalization and Review Commission to achieve more uniform and
19 proportionate valuations.

20 Sec. 103. Section 77-1371, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 77-1371 Comparable sales are recent sales of properties
23 that are similar to the property being assessed in significant
24 physical, functional, and location characteristics and in their
25 contribution to value. When using comparable sales in determining
1 actual value of an individual property under the sales comparison

2 approach provided in section 77-112, the following guidelines shall
3 be considered in determining what constitutes a comparable sale:

4 (1) Whether the sale was financed by the seller and
5 included any special financing considerations or the value of
6 improvements;

7 (2) Whether zoning affected the sale price of the
8 property;

9 (3) For sales of agricultural land or horticultural land
10 as defined in section 77-1359, whether a premium was paid to
11 acquire nearby property. Land within one mile of currently owned
12 property shall be considered nearby property;

13 (4) Whether sales or transfers made in connection with
14 foreclosure, bankruptcy, or condemnations, in lieu of foreclosure,
15 or in consideration of other legal actions should be excluded from
16 comparable sales analysis as not reflecting current market value;

17 (5) Whether sales between family members within the third
18 degree of consanguinity include considerations that fail to reflect
19 current market value;

20 (6) Whether sales to or from federal or state agencies or
21 local political subdivisions reflect current market value;

22 (7) Whether sales of undivided interests in real property
23 or parcels less than forty acres or sales conveying only a portion
24 of the unit assessed reflect current market value;

25 (8) Whether sales or transfers of property in exchange
1 for other real estate, stocks, bonds, or other personal property

2 reflect current market value;

3 (9) Whether deeds recorded for transfers of convenience,
4 transfers of title to cemetery lots, mineral rights, and rights of
5 easement reflect current market value;

6 (10) Whether sales or transfers of property involving
7 railroads or other public utility corporations reflect current
8 market value;

9 (11) Whether sales of property substantially improved
10 subsequent to assessment and prior to sale should be adjusted to
11 reflect current market value or eliminated from such analysis; and

12 (12) For agricultural land or horticultural land as
13 defined in section 77-1359 which is or has been receiving the
14 special valuation pursuant to sections 77-1343 to 77-1348, whether
15 the sale price reflects a value which the land has for purposes
16 or uses other than as agricultural land or horticultural land
17 and therefor does not reflect current market value of other
18 agricultural land or horticultural land.

19 The ~~Property Tax Administrator~~ Tax Commissioner may issue
20 guidelines for assessing officials for use in determining what
21 constitutes a comparable sale. Guidelines shall take into account
22 the factors listed in this section and other relevant factors as
23 prescribed by the ~~Property Tax Administrator.~~ Tax Commissioner.

24 Sec. 104. Section 77-1374, Reissue Revised Statutes of
25 Nebraska, is amended to read:

1 77-1374 Improvements on leased public lands shall be

2 assessed, together with the value of the lease, to the owner of the
3 improvements as real property. On or before March 1, following any
4 construction thereof or any change in the improvements made on or
5 before January 1, the owner of the improvements shall file with the
6 county assessor an assessment application on a form prescribed by
7 the ~~Property Tax Administrator~~, Tax Commissioner. The taxes imposed
8 on the improvements shall be collected in the same manner as in all
9 other cases of collection of taxes on real property.

10 Sec. 105. Section 77-1376, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 77-1376 Improvements on leased lands, other than leased
13 public lands, shall be assessed to the owner of the leased lands
14 unless before March 1, following any construction thereof or change
15 in the improvements made on or before January 1, the owner of
16 the leased lands or the lessee thereof files with the county
17 assessor, on a form prescribed by the ~~Property Tax Administrator~~,
18 Tax Commissioner, a request stating that specifically designated
19 improvements on such leased lands are the property of the lessee.
20 The improvements shall be assessed as real property, and the taxes
21 imposed on the improvements shall be collected by levy and sale of
22 the interest of the owner in the same manner as in all other cases
23 of the collection of taxes on real property. When the request is
24 filed by the owner of the leased lands, notice shall be given by
25 the county assessor to the lessee at the address on the request.

1 Sec. 106. Section 77-1377, Reissue Revised Statutes of

2 Nebraska, is amended to read:

3 77-1377 The ~~Property Tax Administrator~~ Tax Commissioner
4 shall create a statewide file of real property sales to provide
5 information regarding hard-to-assess property, including situations
6 in which a local property may have few available comparable sales.
7 The ~~Property Tax Administrator~~ Tax Commissioner shall make the file
8 available to county assessors.

9 Sec. 107. Section 77-1392, Revised Statutes Cumulative
10 Supplement, 2006, is amended to read:

11 77-1392 The ~~Property Tax Administrator~~ Tax Commissioner
12 may adopt and promulgate rules and regulations regarding the
13 base-year valuation of historically significant real property.

14 Sec. 108. Section 77-1504.01, Revised Statutes Cumulative
15 Supplement, 2006, is amended to read:

16 77-1504.01 (1) Unless the county has adopted a resolution
17 to extend the deadline for hearing protests under section 77-1502,
18 after completion of its actions and based upon the hearings
19 conducted pursuant to sections 77-1502 and 77-1504, a county
20 board of equalization may petition the Tax Equalization and Review
21 Commission to consider an adjustment to a class or subclass of
22 real property within the county. Petitions must be filed with the
23 commission on or before July 26.

24 (2) The commission shall hear and take action on a
25 petition filed by a county board of equalization on or before
1 August 10. Hearings held pursuant to this section may be held by

2 means of videoconference. The burden of proof is on the petitioning
3 county to show that failure to make an adjustment would result
4 in values that are not equitable and in accordance with the law.
5 At the hearing the commission may receive testimony from any
6 interested person.

7 (3) After a hearing the commission shall, within the
8 powers granted in section 77-5023, enter its order based on
9 evidence presented to it at such hearing and the hearings held
10 pursuant to section 77-5022 for that year. The order shall specify
11 the percentage increase or decrease and the class or subclass of
12 real property affected or any corrections or adjustments to be made
13 to the class or subclass of real property affected. When issuing
14 an order to adjust a class or subclass of real property, the
15 commission may exclude individual properties from that order whose
16 value has already been adjusted by a county board of equalization
17 in the same manner as the commission directs in its order. On or
18 before August 10 of each year, the commission shall send its order
19 by certified mail to the county assessor and by regular mail to the
20 county clerk and chairperson of the county board.

21 (4) The county assessor shall make the specified changes
22 to each item of property in the county as directed by the order
23 of the commission. In implementing such order, the county assessor
24 shall adjust the values of the class or subclass that is the
25 subject of the order. For properties that have already received
1 an adjustment from the county board of equalization, no additional

2 adjustment shall be made applying the commission's order, but
3 such an exclusion from the commission's order shall not preclude
4 adjustments to those properties for corrections or omissions.
5 The county assessor of the county adjusted by an order of the
6 commission shall recertify the abstract of assessment to the
7 ~~Property Tax Administrator~~ Tax Commissioner on or before August 20.

8 Sec. 109. Section 77-1507, Revised Statutes Cumulative
9 Supplement, 2006, is amended to read:

10 77-1507 (1) The county board of equalization may meet at
11 any time for the purpose of assessing any omitted real property
12 that was not reported to the county assessor pursuant to section
13 77-1318.01 and for correction of clerical errors as defined in
14 section 77-128 that result in a change of assessed value. The
15 county board of equalization shall give notice of the assessed
16 value of the real property to the record owner or agent at his or
17 her last-known address. For real property which has been omitted in
18 the current year, the county board of equalization shall not send
19 notice pursuant to this section on or before June 1.

20 Protests of the assessed value proposed for omitted real
21 property pursuant to this section or a correction for clerical
22 errors shall be filed with the county board of equalization within
23 thirty days after the mailing of the notice. All provisions of
24 section 77-1502 except dates for filing a protest, the period for
25 hearing protests, and the date for mailing notice of the county
1 board of equalization's decision are applicable to any protest

2 filed pursuant to this section.

3 (2) The county clerk shall, within seven days after the
4 board's final decision, send:

5 (a) For protested action, a notification to the protester
6 of the board's final action advising the protester that a report
7 of the board's final decision is available at the county clerk's
8 or county assessor's office, whichever is appropriate, and that a
9 copy of the report may be used to complete an appeal to the Tax
10 Equalization and Review Commission; and

11 (b) For protested and nonprotested action, a report to
12 the ~~Property Tax Administrator~~ Tax Commissioner which shall state
13 the description of the property, the reason such property was
14 not assessed pursuant to section 77-1301, and a statement of the
15 board's justification for its action. A copy of the report shall be
16 available for public inspection in the office of the county clerk.

17 (3) The action of the county board of equalization upon
18 a protest filed pursuant to this section may be appealed to the
19 Tax Equalization and Review Commission within thirty days after the
20 board's final decision.

21 (4) Improvements to real property which were properly
22 reported to the county assessor pursuant to section 77-1318.01 for
23 the current year and were not added to the assessment roll by the
24 county assessor on or before March 19 shall only be added to the
25 assessment roll by the county board of equalization from June 1
1 through July 25. In counties that have adopted a resolution to

2 extend the deadline for hearing protests under section 77-1502, the
3 deadline of July 25 shall be extended to August 10.

4 Sec. 110. Section 77-1514, Revised Statutes Cumulative
5 Supplement, 2006, is amended to read:

6 77-1514 The county assessor shall prepare abstracts of
7 the property assessment rolls of locally assessed property of his
8 or her county on forms prescribed and furnished by the ~~Property~~
9 ~~Tax Administrator, Tax Commissioner.~~ The county assessor shall file
10 the real property abstract with the ~~Property Tax Administrator~~
11 Tax Commissioner on or before March 19 and the personal property
12 abstract on or before June 15. The abstracts shall show the taxable
13 value of real or personal property in the county as determined
14 by the county assessor and any other information as required by
15 the ~~Property Tax Administrator, Tax Commissioner.~~ The ~~Property~~
16 ~~Tax Administrator, Tax Commissioner,~~ upon written request from the
17 county assessor, may for good cause shown extend the final filing
18 due date for the real property abstract and the statutory deadlines
19 provided in section 77-5027. The ~~Property Tax Administrator~~ Tax
20 Commissioner may extend the statutory deadline in section 77-5028
21 for a county if the deadline is extended for that county.

22 Sec. 111. Section 77-1601, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 77-1601 (1) The county board of equalization shall each
25 year, on or before October 15, levy the necessary taxes for the
1 current year if within the limit of the law. The levy shall include

2 an amount for operation of all functions of county government
3 and shall also include all levies necessary to fund tax requests
4 certified under section 77-1601.02 that are authorized as provided
5 in sections 77-3442 to 77-3444.

6 (2) On or before November 5, the county board of
7 equalization upon its own motion may act to correct a clerical
8 error which has resulted in the calculation of an incorrect levy
9 by any entity otherwise authorized to certify a tax request under
10 section 77-1601.02. The county board of equalization shall hold a
11 public hearing to determine what adjustment to the levy is proper,
12 legal, or necessary. Notice shall be provided to the governing body
13 of each political subdivision affected by the error. Notice of the
14 hearing as required by section 84-1411 shall include the following:

15 (a) The time and place of the hearing, (b) the dollar amount at
16 issue, and (c) a statement setting forth the nature of the error.

17 (3) Upon the conclusion of the hearing, the county board
18 of equalization shall issue a corrected levy if it determines that
19 an error was made in the original levy which warrants correction.
20 The county board of equalization shall then order (a) the county
21 assessor, county clerk, and county treasurer to revise assessment
22 books, unit valuation ledgers, tax statements, and any other tax
23 records to reflect the correction made and (b) the recertification
24 of the information provided to the ~~Property Tax Administrator~~ Tax
25 Commissioner pursuant to section 77-1613.01.

1 Sec. 112. Section 77-1613.01, Reissue Revised Statutes of

2 Nebraska, is amended to read:

3 77-1613.01 The county assessor or county clerk shall
4 certify to the ~~Property Tax Administrator,~~ Tax Commissioner, on or
5 before December 1 of each year, the total taxable valuation and
6 the Certificate of Taxes Levied. The certificate shall be used for
7 statistical purposes and shall specify the information necessary
8 to determine the total taxable value, tax levies, and total
9 property taxes requested by the political subdivisions for the
10 current year on forms prescribed and furnished by the ~~Property Tax~~
11 ~~Administrator.~~ Tax Commissioner. The certificate shall include for
12 each political subdivision a statement of the amount of property
13 taxes sought and the tax levy made for (1) the payment of principal
14 or interest on bonds issued by the political subdivision and (2)
15 all other purposes.

16 Sec. 113. Section 77-1615.01, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 77-1615.01 The county board of any county is authorized
19 to direct that for all purposes of assessment of property, and for
20 the levy and collection of taxes and special assessments, there
21 shall be used tax records or random access devices suitable for use
22 in connection with electronic data processing equipment or other
23 mechanical office equipment, in accordance with procedures to be
24 approved by the ~~Property Tax Administrator.~~ Tax Commissioner. Such
25 county board is also authorized to direct that a statement of taxes
1 and special assessments be mailed or otherwise delivered to the

2 person, firm, association, or corporation against whom such taxes
3 are assessed. Failure to receive such statement shall not relieve
4 the taxpayer from any liability to pay such taxes or assessments
5 and penalties accrued thereon.

6 Sec. 114. Section 77-1735, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 77-1735 (1) Except as provided in subsection (2) of this
9 section, if a person makes a payment to any county or other
10 political subdivision of any property tax or any payment in lieu
11 of tax with respect to property and claims the tax or any part
12 thereof is illegal for any reason other than the valuation or
13 equalization of the property, he or she may, at any time within
14 thirty days after such payment, make a written claim for refund
15 of the payment from the county treasurer to whom paid. The county
16 treasurer shall immediately forward the claim to the county board.
17 If the payment is not refunded within ninety days thereafter, the
18 claimant may sue the county board for the amount so claimed. Upon
19 the trial, if it is determined that such tax or any part thereof
20 was illegal, judgment shall be rendered therefor and such judgment
21 shall be collected in the manner prescribed in section 77-1736.06.
22 If the tax so claimed to be illegal was not collected for all
23 political subdivisions in a consolidated tax district and if a
24 suit is brought to recover the tax paid or a part thereof, the
25 plaintiff in such action shall join as defendants in a single
1 suit as many of the political subdivisions as he or she seeks

2 recovery from by stating in the petition a claim against each
3 such political subdivision as a separate cause of action. For
4 purposes of this section, illegal shall mean a tax levied for an
5 unauthorized purpose or as a result of fraudulent conduct on the
6 part of the taxing officials. A person shall not be entitled to a
7 refund pursuant to this section of any property tax paid or any
8 payment in lieu of tax unless the person has filed a claim with the
9 county treasurer or prevailed in an action against the county. If a
10 county refuses to make a refund, a person shall not be entitled to
11 a refund unless he or she prevails in an action against the county
12 on such claim even if another person has successfully challenged a
13 similar tax or payment.

14 (2) For property valued by the state, for purposes of
15 a claim for refund pursuant to this section, the ~~Property Tax~~
16 ~~Administrator~~ Tax Commissioner shall perform the functions of the
17 county treasurer and county board. Upon approval of the claim
18 by the ~~Property Tax Administrator~~ Tax Commissioner or a court
19 of competent jurisdiction, the ~~Property Tax Administrator~~ Tax
20 Commissioner shall certify the amount of the refund to the county
21 treasurer to whom this tax was paid or distributed. The refund
22 shall be made in the manner prescribed in section 77-1736.06.

23 Sec. 115. Section 77-1736.06, Reissue Revised Statutes of
24 Nebraska, is amended to read:

25 77-1736.06 The following procedure shall apply when
1 making a property tax refund:

2 (1) Within thirty days of the entry of a final
3 nonappealable order or other action approving a refund or,
4 for property valued by the state, within thirty days of a
5 recertification of value by the ~~Property Tax Administrator~~ Tax
6 Commissioner pursuant to section 77-1775 or 77-1775.01, the
7 county assessor shall determine the amount of refund due the
8 person entitled to the refund, certify that amount to the county
9 treasurer, and send a copy of such certification to the person
10 entitled to the refund. Within thirty days from the date the county
11 assessor certifies the amount of the refund, the county treasurer
12 shall notify each political subdivision of its respective share of
13 the refund, except that for any political subdivision whose share
14 of the refund is two hundred dollars or less, the county board may
15 waive this notice requirement. Notification shall be by first-class
16 mail, postage prepaid, to the last-known address of record of the
17 political subdivision. The county treasurer shall pay the refund
18 from funds in his or her possession belonging to any political
19 subdivision which received any part of the tax or penalty being
20 refunded. If sufficient funds are not available or the political
21 subdivision, within thirty days of the mailing of the notice by the
22 county treasurer if applicable, certifies to the county treasurer
23 that a hardship would result and create a serious interference with
24 its governmental functions if the refund of the tax or penalty is
25 paid, the county treasurer shall register the refund or portion
1 thereof which remains unpaid as a claim against such political

2 subdivision and shall issue the person entitled to the refund a
3 receipt for the registration of the claim. The certification by a
4 political subdivision declaring a hardship shall be binding upon
5 the county treasurer;

6 (2) The refund of a tax or penalty or the receipt for
7 the registration of a claim made or issued pursuant to this section
8 shall be satisfied in full as soon as practicable and in no event
9 later than five years from the date the final order or other action
10 approving a refund is entered. The governing body of the political
11 subdivision shall make provisions in its budget for the amount of
12 any refund or claim to be satisfied pursuant to this section. If a
13 receipt for the registration of a claim is given:

14 (a) Such receipt shall be applied to satisfy any tax
15 levied or assessed by that political subdivision next falling due
16 from the person holding the receipt after the sixth next succeeding
17 levy is made on behalf of the political subdivision following the
18 final order or other action approving the refund; and

19 (b) To the extent the amount of such receipt exceeds
20 the amount of such tax liability, the unsatisfied balance of the
21 receipt shall be paid and satisfied within the five-year period
22 prescribed in this subsection from a combination of a credit
23 against taxes anticipated to be due to the political subdivision
24 during such period and cash payment from any funds expected to
25 accrue to the political subdivision pursuant to a written plan to
1 be filed by the political subdivision with the county treasurer

2 no later than thirty days after the claim against the political
3 subdivision is first reduced by operation of a credit against taxes
4 due to such political subdivision.

5 If a political subdivision fails to fully satisfy the
6 refund or claim prior to the sixth next succeeding levy following
7 the entry of a final nonappealable order or other action approving
8 a refund, interest shall accrue on the unpaid balance commencing on
9 the sixth next succeeding levy following such entry or action at
10 the rate set forth in section 45-103;

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

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

2 (5) In the event that the Legislature appropriates state
3 funds to be disbursed for the purposes of satisfying all or any
4 portion of any refund or claim, the ~~Property Tax Administrator~~
5 Tax Commissioner shall order the county treasurer to disburse such
6 refund amounts directly to the persons entitled to the refund in
7 partial or total satisfaction of such persons' claims. The county
8 treasurer shall disburse such amounts within forty-five days after
9 receipt thereof; and

10 (6) If all or any portion of the refund is reduced by
11 way of settlement or forgiveness by the person entitled to the
12 refund, the proportionate amount of the refund that was paid by
13 an appropriation of state funds shall be reimbursed by the county
14 treasurer to the State Treasurer within forty-five days after
15 receipt of the settlement agreement or receipt of the forgiven
16 refund. The amount so reimbursed shall be credited to the General
17 Fund.

18 Sec. 116. Section 77-1749, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 77-1749 The ~~Property Tax Administrator~~ Tax Commissioner
21 and other proper authority or person shall in his or her final
22 settlement with the treasurer allow him or her credit for the
23 amount so certified, but if the ~~Property Tax Administrator~~ Tax
24 Commissioner or other proper authority or person shall have reason
25 to believe that the amount stated in the certificate is not
1 correct, or that the allowance was illegally made, he or she shall

2 return the same for correction. When it appears to be necessary in
3 the opinion of the ~~Property Tax Administrator~~ Tax Commissioner or
4 other proper authority or person, he or she shall designate and
5 appoint some competent person to examine the treasurer's books and
6 statement of settlement, and the person so designated and appointed
7 shall have access to the treasurer's books and papers appertaining
8 to such treasurer's office or settlement for the purpose of making
9 such examination.

10 Sec. 117. Section 77-1750, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 77-1750 In all cases when the adjustment is made with
13 the county clerk, the county board shall, at the first session
14 thereafter, examine such settlement and if found correct shall
15 enter an order to that effect. If any omission or error is found,
16 the board shall cause the same to be corrected and a correct
17 statement of the facts in the case forwarded to the ~~Property Tax~~
18 ~~Administrator~~ Tax Commissioner and other proper authority or person
19 who shall correct and adjust the treasurer's accounts accordingly.

20 Sec. 118. Section 77-1763, Reissue Revised Statutes of
21 Nebraska, is amended to read:

22 77-1763 Upon the failure of any county treasurer to make
23 settlement with the ~~Property Tax Administrator,~~ Tax Commissioner,
24 the ~~Property Tax Administrator~~ Tax Commissioner shall sue the
25 treasurer and his or her surety upon the bond of such treasurer,
1 or sue the treasurer in such form as may be necessary, and take

2 all such proceedings, either upon such bond or otherwise, as may be
3 necessary to protect the interest of the state.

4 Sec. 119. Section 77-1766, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 77-1766 Cities, towns, villages, or corporate authorities
7 or persons aggrieved may prosecute suit against any treasurer, or
8 other officer collecting or receiving funds for their use, upon his
9 or her bond, in the name of the State of Nebraska, for their use
10 in any court of competent jurisdiction, whether the bond has been
11 put in suit at the instance of the ~~Property Tax Administrator~~ Tax
12 Commissioner or not. Cities, towns, villages, and other corporate
13 authorities or persons shall have the same right in any suits or
14 proceedings in their behalf as is provided in case of suits by or
15 on behalf of the state.

16 Sec. 120. Section 77-1775, Revised Statutes Cumulative
17 Supplement, 2006, is amended to read:

18 77-1775 (1) In case of payment of any taxes upon property
19 valued by the state made as a result of a clerical error or
20 honest mistake or misunderstanding, except as to valuation or
21 equalization, on the part of the taxing officials of the state or
22 the taxpayer, the taxpayer shall make a written claim for a credit
23 or refund of the tax paid within two years from the date the tax
24 was due. The claim shall set forth the amount of the overpayment
25 and the reasons therefor.

1 (2) The ~~Property Tax Administrator~~ Tax Commissioner may

2 approve or disapprove the claim in whole or part without a hearing.
3 The ~~Property Tax Administrator~~ Tax Commissioner shall grant a
4 hearing prior to taking any action on a claim for refund or credit
5 if requested in writing by the taxpayer when the claim is filed or
6 prior to any action being taken on the claim by the ~~Property Tax~~
7 ~~Administrator~~ Tax Commissioner. The written order of the ~~Property~~
8 ~~Tax Administrator~~ Tax Commissioner shall be mailed to the claimant
9 within seven days after the date of the order. If the claim is
10 denied in whole or part, the taxpayer may appeal within thirty
11 days after the date of the written order of the ~~Property Tax~~
12 ~~Administrator~~ Tax Commissioner to the Tax Equalization and Review
13 Commission in accordance with section 77-5013.

14 (3) Upon approval of the claim by the ~~Property Tax~~
15 ~~Administrator~~ Tax Commissioner, the ~~Property Tax Administrator~~ Tax
16 Commissioner shall certify the amount of the refund or credit to
17 the county treasurer to whom the tax was paid or distributed. If
18 only valuation was previously certified to a county or counties,
19 then the ~~Property Tax Administrator~~ Tax Commissioner shall certify
20 the value resulting from the written order to the official who
21 received the original valuation which was changed by the written
22 order. The refund shall be made in the manner prescribed in section
23 77-1736.06. The ordering of a refund or credit pursuant to this
24 section shall not have a dispositional effect on any similar claim
25 for refund or credit made by another taxpayer.

1 Sec. 121. Section 77-1775.01, Reissue Revised Statutes of

2 Nebraska, is amended to read:

3 77-1775.01 (1) When property is valued or equalized by
4 the Tax Commissioner, ~~the Property Tax Administrator,~~ or the Tax
5 Equalization and Review Commission and an appeal is taken from
6 such valuation or equalization and the final result of such appeal
7 establishes a lower value than that upon which taxes have been
8 paid, the amount of taxes paid on the value in excess of that
9 finally determined value shall be refunded to the prevailing party
10 who has paid such tax. If an appeal results in a lower value, only
11 the taxpayer who is a party to the appeal shall be entitled to a
12 refund.

13 (2) Upon receipt of a final nonappealable order, the
14 commission shall meet or the ~~Property Tax Administrator~~ Tax
15 Commissioner shall act within thirty days thereof to order the
16 recertification of valuation of the prevailing party.

17 (3) The ~~Property Tax Administrator~~ Tax Commissioner upon
18 receiving a certified copy of such recertification order shall
19 recertify the amount of the valuation or tax to the county
20 assessor of the county or counties to which the tax was paid or
21 distributed. If only valuation was previously certified to a county
22 or counties, then the ~~Property Tax Administrator~~ Tax Commissioner
23 shall recertify the value resulting from the final nonappealable
24 order to the county assessor who received the original valuation
25 which was changed by the final order. The refund shall be made
1 in the manner prescribed in section 77-1736.06. Nothing in this

2 section shall be construed to mean that any taxpayer shall have had
3 to pay any tax under protest or claim a refund of the tax paid.

4 Sec. 122. Section 77-27,137, Reissue Revised Statutes of
5 Nebraska, is amended to read:

6 77-27,137 (1) The appropriation provided for in section
7 77-27,136 for aid to counties shall be distributed to the various
8 county treasurers of the state.

9 (2) A tentative distribution shall be determined by
10 dividing seventeen million dollars on the basis of the ratio of the
11 total amount of property taxes levied by the particular county for
12 county purposes to the total amount of property taxes levied by all
13 counties for county purposes based on the amounts stated in the
14 most recent certificate of taxes levied submitted by each county to
15 the ~~Property Tax Administrator~~ Tax Commissioner pursuant to section
16 77-1613.01.

17 (3) The tentative distribution to each county computed
18 under subsection (2) of this section shall be reduced by dividing
19 three million five hundred thousand dollars on the basis of
20 the ratio of the total amount of taxable value of agricultural
21 income-producing machinery and equipment in a particular county to
22 the total amount of taxable value of agricultural income-producing
23 machinery and equipment in all counties based on the amounts
24 certified by the counties to the ~~Property Tax Administrator~~ Tax
25 Commissioner on the certificate of taxes levied pursuant to section
1 77-1613.01.

2 (4) The Tax Commissioner shall determine the amount
3 to be distributed to the various counties and certify such
4 amounts by voucher to the Director of Administrative Services.
5 Each amount shall be distributed in seven as nearly as possible
6 equal monthly payments on the last business day of each month
7 beginning in December. The State Treasurer shall, on the business
8 day preceding the last business day of each month, notify
9 the Director of Administrative Services of the amount of funds
10 available in the General Fund for payment purposes. The Director
11 of Administrative Services shall, on the last business day of
12 each month, draw warrants against funds appropriated. The proceeds
13 of the governmental subdivision payments received by the various
14 county treasurers shall be credited to the general fund of the
15 county.

16 Sec. 123. Section 77-3523, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 77-3523 The county treasurer shall, on or before November
19 30 of each year, certify to the Tax Commissioner the total tax
20 revenue that will be lost to all taxing agencies within his or
21 her county from taxes levied and assessed in that year because
22 of exemptions allowed under Chapter 77, article 35, multiplied by
23 the aggregate assessment sales ratio calculated by the ~~Property Tax~~
24 ~~Administrator~~ Tax Commissioner for all single-family residential
25 real property in the county for the current year after adjustments
1 by the Tax Equalization and Review Commission, except that

2 any assessment sales ratio greater than 100 or any assessment
3 sales ratio that complies with the standards of equalization as
4 determined by the commission shall be deemed to be 100 for such
5 purpose. The county treasurer may amend the certification to show
6 any change or correction in the total tax that will be lost until
7 May 30 of the next succeeding year. If a homestead exemption
8 is approved, denied, or corrected by the Tax Commissioner under
9 subsection (2) of section 77-3517 after May 1 of the next year,
10 the county treasurer shall prepare and submit amended reports to
11 the Tax Commissioner and the political subdivisions covering any
12 affected year and shall adjust the reimbursement to the county and
13 the other political subdivisions by adjusting the reimbursement due
14 under this section in later years. The Tax Commissioner shall, on
15 or before January 1 next following such certification or within
16 thirty days of any amendment to the certification, notify the
17 Director of Administrative Services of the amount so certified to
18 be reimbursed by the state. Reimbursement of the funds lost shall
19 be made to each county according to the certification and shall
20 be distributed in six as nearly as possible equal monthly payments
21 on the last business day of each month beginning in January. The
22 State Treasurer shall, on the business day preceding the last
23 business day of each month, notify the Director of Administrative
24 Services of the amount of funds available in the General Fund for
25 payment purposes. The Director of Administrative Services shall, on
1 the last business day of each month, draw warrants against funds

2 appropriated. Out of the amount so received the county treasurer
3 shall distribute to each of the taxing agencies within his or her
4 county the full amount so lost by such agency, multiplied by the
5 aggregate assessment sales ratio calculated by the ~~Property Tax~~
6 ~~Administrator~~ Tax Commissioner for all single-family residential
7 real property in the county for the current year after adjustments
8 by the commission, except that any assessment sales ratio greater
9 than 100 or any assessment sales ratio that complies with the
10 standards of equalization as determined by the commission shall be
11 deemed to be 100 for such purpose, except that one percent of such
12 amount shall be deposited in the county general fund and that the
13 amount due a Class V school district shall be paid to the district
14 and the county shall be compensated pursuant to section 14-554.
15 Each taxing agency shall, in preparing its annual or biennial
16 budget, take into account the amount to be received under this
17 section.

18 Sec. 124. Section 77-3902, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 77-3902 For purposes of the Uniform State Tax Lien
21 Registration and Enforcement Act:

22 (1) Appropriate filing officer means (a) with respect to
23 real property subject to a tax lien, the register of deeds of
24 the county or counties in which the real property is situated and
25 (b) with respect to personal property subject to a tax lien, the
1 Secretary of State; and

2 (2) Any reference to tax, taxes, fee, or tax program
3 shall be construed to include any tax, fee, or in-lieu-of-tax
4 contribution which is imposed by the laws of this state and
5 administered or collected and enforced by the Tax Commissioner,
6 ~~Property Tax Administrator~~, or Commissioner of Labor, unless a tax
7 lien is otherwise provided for by law.

8 Sec. 125. Section 77-3903, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 77-3903 (1)(a) A notice of lien provided for in the
11 Uniform State Tax Lien Registration and Enforcement Act upon real
12 property shall be presented in the office of the Secretary of
13 State. Such notice of lien shall be transmitted by the Secretary
14 of State to and filed in the office of the register of deeds
15 by the register of deeds of the county or counties in which the
16 real property subject to the lien is situated as designated in
17 the notice of lien. The register of deeds shall enter the notice
18 in the alphabetical state tax lien index, showing on one line the
19 name and residence of the person liable named in such notice, the
20 social security number or the federal tax identification number of
21 such person, the Tax Commissioner's, ~~Property Tax Administrator's~~,
22 or Commissioner of Labor's serial number of such notice, the date
23 and hour of filing, and the amount due. Such presentments to the
24 Secretary of State may be made by direct input to the Secretary of
25 State's data base or by other electronic means. All such notices
1 of lien shall be retained in numerical order in a file designated

2 state tax lien notices, except that in offices filing by the roll
3 form of microfilm pursuant to section 23-1517.01, the original
4 notices need not be retained. A lien subject to this subsection
5 shall be effective upon real property when filed by the register of
6 deeds as provided in this subsection.

7 (b) A notice of lien provided for in the Uniform State
8 Tax Lien Registration and Enforcement Act upon personal property
9 shall be filed in the office of the Secretary of State. The
10 Secretary of State shall enter the notice in the state's central
11 tax lien index, showing on one line the name and residence of
12 the person liable named in such notice, the social security number
13 or the federal tax identification number of such person, the Tax
14 Commissioner's, ~~Property Tax Administrator's,~~ or Commissioner of
15 Labor's serial number of such notice, the date and hour of filing,
16 and the amount due. Such filings with the Secretary of State may be
17 filed by direct input to the Secretary of State's data base or by
18 other electronic means. All such notices of lien shall be retained
19 in numerical order in a file designated state tax lien notices.

20 (2) Beginning July 1, 1999, the uniform fee, payable
21 to the Secretary of State, for presenting for filing, releasing,
22 continuing, or subordinating or for filing, releasing, continuing,
23 or subordinating each tax lien pursuant to the Uniform State Tax
24 Lien Registration and Enforcement Act shall be six dollars. There
25 shall be no fee for the filing of a termination statement. The
1 uniform fee for each county more than one designated pursuant to

2 subdivision (1)(a) of this section shall be three dollars. The
3 Secretary of State shall deposit each fee received pursuant to
4 this section in the Uniform Commercial Code Cash Fund. Of the fees
5 received and deposited pursuant to this section, the Secretary of
6 State shall remit three dollars to the register of deeds of a
7 county for each designation of such county in a filing pursuant to
8 subdivision (1)(a) of this section.

9 (3) The Secretary of State shall bill the Tax
10 Commissioner, ~~Property Tax Administrator,~~ or Commissioner of
11 Labor on a monthly basis for fees for documents presented to or
12 filed with the Secretary of State. No payment of any fee shall
13 be required at the time of presenting or filing any such lien
14 document.

15 Sec. 126. Section 77-3904, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 77-3904 (1) If any person liable to pay any tax or
18 fee under any tax program administered by the Tax Commissioner,
19 ~~Property Tax Administrator,~~ or Commissioner of Labor neglects or
20 refuses to pay such tax or fee after demand, the amount of such
21 tax or fee, including any interest, penalty, and additions to such
22 tax and such additional costs that may accrue, shall be a lien in
23 favor of the State of Nebraska upon all property and rights to
24 property, whether real or personal, then owned by such person or
25 acquired by him or her thereafter and prior to the expiration of
1 the lien. Unless another date is specifically provided by law, such

2 lien shall arise at the time of the assessment and shall remain
3 in effect (a) for three years from the time of the assessment if
4 the notice of lien is not filed for record in the office of the
5 appropriate filing officer, (b) for ten years from the time of
6 filing for record in the office of the appropriate filing officer,
7 or (c) until such amounts have been paid or a judgment against
8 such person arising out of such liability has been satisfied or
9 has become unenforceable by reason of lapse of time, unless a
10 continuation statement is filed prior to the lapse.

11 (2) The Tax Commissioner~~, Property Tax Administrator~~, or
12 Commissioner of Labor may present for filing or file for record
13 in the office of the appropriate filing officer a notice of lien
14 specifying the year the tax was due, the tax program, and the
15 amount of the tax and any interest, penalty, or addition to such
16 tax that are due. Such notice shall be filed for record in the
17 office of the appropriate filing officer within three years after
18 the time of assessment. Such notice shall contain the name and
19 last-known address of the taxpayer, the taxpayer's social security
20 number or federal identification number, the Tax Commissioner's~~,
21 Property Tax Administrator's~~, or Commissioner of Labor's serial
22 number, and a statement to the effect that the Tax Commissioner~~,
23 Property Tax Administrator~~, or Commissioner of Labor has complied
24 with all provisions of the law for the particular tax program which
25 he or she administers in the determination of the amount of the tax
1 and any interest, penalty, and addition to such tax required to be

2 paid.

3 (3) (a) (i) A lien imposed upon real property pursuant to
4 the Uniform State Tax Lien Registration and Enforcement Act shall
5 be valid against any subsequent creditor when notice of such lien
6 and the amount due has been presented for filing by the Tax
7 Commissioner, ~~Property Tax Administrator~~, or Commissioner of Labor
8 in the office of the Secretary of State and filed in the office of
9 the register of deeds.

10 (ii) A lien imposed upon personal property pursuant to
11 the Uniform State Tax Lien Registration and Enforcement Act shall
12 be valid against any subsequent creditor when notice of such lien
13 and the amount due has been filed by the Tax Commissioner, ~~Property~~
14 ~~Tax Administrator~~, or Commissioner of Labor in the office of the
15 Secretary of State.

16 (b) In the case of any prior mortgage on real property
17 or secured transaction covering personal property so written as
18 to secure a present debt and future advances, the lien provided
19 in the act, when notice thereof has been filed in the office of
20 the appropriate filing officer, shall be subject to such prior
21 lien unless the Tax Commissioner, ~~Property Tax Administrator~~, or
22 Commissioner of Labor has notified the lienholder in writing of
23 the recording of such tax lien, in which case the lien of any
24 indebtedness thereafter created under such mortgage or secured
25 transaction shall be junior to the lien provided for in the act.

1 (4) The lien may, within ten years from the date of

2 filing for record of the notice of lien in the office of the
3 appropriate filing officer, be extended by filing for record a
4 continuation statement. Upon timely filing of the continuation
5 statement, the effectiveness of the original notice shall be
6 continued for ten years after the last date to which the filing
7 was effective. After such period the notice shall lapse in the
8 manner prescribed in subsection (1) of this section unless another
9 continuation statement is filed prior to such lapse.

10 (5) When a termination statement of any tax lien
11 issued by the Tax Commissioner, ~~Property Tax Administrator,~~ or
12 Commissioner of Labor is filed in the office where the notice of
13 lien is filed, the appropriate filing officer shall enter such
14 statement with the date of filing in the state tax lien index where
15 notice of the lien so terminated is entered and shall file the
16 termination statement with the notice of the lien.

17 (6) The Tax Commissioner, ~~Property Tax Administrator,~~ or
18 Commissioner of Labor may at any time, upon request of any party
19 involved, release from a lien all or any portion of the property
20 subject to any lien provided for in the Uniform State Tax Lien
21 Registration and Enforcement Act or subordinate a lien to other
22 liens and encumbrances if he or she determines that (a) the tax
23 amount and any interest, penalties, and additions to such tax have
24 been paid or secured sufficiently by a lien on other property,
25 (b) the lien has become legally unenforceable, (c) a surety bond
1 or other satisfactory security has been posted, deposited, or

2 pledged with the Tax Commissioner, ~~Property Tax Administrator~~, or
3 Commissioner of Labor in an amount sufficient to secure the payment
4 of such taxes and any interest, penalties, and additions to such
5 taxes, or (d) the release, partial release, or subordination of
6 the lien will not jeopardize the collection of such taxes and any
7 interest, penalties, and additions to such tax.

8 (7) A certificate by the Tax Commissioner, ~~Property Tax~~
9 ~~Administrator~~, or Commissioner of Labor stating that any property
10 has been released from the lien or the lien has been subordinated
11 to other liens and encumbrances shall be conclusive evidence that
12 the property has in fact been released or the lien has been
13 subordinated pursuant to the certificate.

14 Sec. 127. Section 77-3905, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 77-3905 (1) At any time within three years after any
17 amount of tax to be collected under any tax program administered by
18 the Tax Commissioner, ~~Property Tax Administrator~~, or Commissioner
19 of Labor is assessed or within ten years after the last filing for
20 record as set forth in the Uniform State Tax Lien Registration and
21 Enforcement Act, the Tax Commissioner, ~~Property Tax Administrator~~,
22 or Commissioner of Labor may bring an action in the courts of this
23 state, any other state, or the United States in the name of the
24 people of the State of Nebraska to collect the delinquent amount
25 together with penalties, any additions to such tax, costs, and
1 interest.

2 (2) (a) The Attorney General shall prosecute the action
3 on behalf of the Tax Commissioner, ~~and Property Tax Administrator,~~

4 (b) the Commissioner of Labor shall be represented in an action
5 under the act as provided in section 48-667, and (c) the rules of
6 civil procedure relating to service of summons, pleadings, proofs,
7 trials, and appeals shall be applicable to the proceedings.

8 (3) In the action, a writ of attachment may issue, and no
9 bond or affidavit previous to the issuing of the attachment shall
10 be required.

11 (4) In the action, a certificate by the Tax Commissioner,
12 ~~Property Tax Administrator,~~ or Commissioner of Labor showing the
13 delinquency shall be prima facie evidence of the determination of
14 such tax or the amount of such tax, the delinquency of the amounts
15 set forth, and the compliance by the Tax Commissioner, ~~Property Tax~~
16 ~~Administrator,~~ or Commissioner of Labor with all provisions of the
17 applicable tax program which he or she administers in relation to
18 the computation and determination of the amounts set forth.

19 (5) The tax amounts required to be paid by any person
20 under any tax program administered by the Tax Commissioner,
21 ~~Property Tax Administrator,~~ or Commissioner of Labor together
22 with any interest, penalties, and additions to such tax shall be
23 satisfied first in any of the following cases: When the person
24 is insolvent; when the person makes a voluntary assignment of
25 his or her assets; when the estate of the person in the hands
1 of executors, personal representatives, administrators, or heirs

2 is insufficient to pay all the debts due from the deceased;
3 or when the estate and effects of an absconding, concealed, or
4 absent person required to pay any amount under any tax program
5 administered by the Tax Commissioner, ~~Property Tax Administrator,~~
6 or Commissioner of Labor are levied upon by process of law.

7 (6) Any tax which by law must be deducted and withheld
8 by an employer or payor or is collected by a retailer or any
9 other designated person as agent for the State of Nebraska on
10 any transaction governed by a tax program administered by the Tax
11 Commissioner, ~~Property Tax Administrator,~~ or Commissioner of Labor
12 shall constitute a trust fund in the hands of the employer, payor,
13 or retailer or such other designated person and shall be owned by
14 the state as of the time the tax is deducted and withheld or is
15 owing to the employer, payor, or retailer or such other designated
16 person.

17 Sec. 128. Section 77-3906, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 77-3906 (1) In addition to all other remedies or
20 actions provided by law under any tax program administered by
21 the Tax Commissioner, ~~Property Tax Administrator,~~ or Commissioner
22 of Labor, it shall be lawful for the Tax Commissioner, ~~Property~~
23 ~~Tax Administrator,~~ or Commissioner of Labor, after making demand
24 for payment, to collect any delinquent taxes, together with any
25 interest, penalties, and additions to such tax by distraint and
1 sale of the real and personal property of the taxpayer. If the

2 Tax Commissioner ~~or Property Tax Administrator~~ finds that the
3 collection of any tax is in jeopardy pursuant to section 77-2710,
4 77-27,111, or 77-4311, notice and demand for immediate payment
5 of such tax may be made by the Tax Commissioner ~~or Property~~
6 ~~Tax Administrator~~ and, upon failure or refusal to pay such tax,
7 collection by levy shall be lawful.

8 (2) (a) In case of failure to pay taxes or deficiencies,
9 the Tax Commissioner, ~~or Property Tax Administrator~~, or his or her
10 authorized employee, may levy or, by warrant issued under his or
11 her own hand, authorize a sheriff or duly authorized employee of
12 the Tax Commissioner ~~or Property Tax Administrator~~ to levy upon,
13 seize, and sell such real and personal property belonging to the
14 taxpayer, except exempt property, as is necessary to satisfy the
15 liability for the payment of the amount due.

16 (b) In case of failure to pay taxes or deficiencies,
17 the Commissioner of Labor, or his or her authorized employee, may
18 levy or, by warrant issued under his or her own hand, authorize
19 a sheriff or duly authorized employee of the Department of Labor
20 to levy upon, seize, and sell such real and personal property
21 belonging to the taxpayer, except exempt property, as is necessary
22 to satisfy the liability for the payment of the amount due.

23 (c) As used in this section, exempt property shall mean
24 such property as is exempt from execution under the laws of this
25 state.

1 (3) When a warrant is issued or a levy is made by the Tax

2 Commissioner, ~~Property Tax Administrator,~~ or Commissioner of Labor,
3 or his or her duly authorized employee, for the collection of any
4 tax and any interest, penalty, or addition to such tax imposed by
5 law under any tax program administered by the Tax Commissioner,
6 ~~Property Tax Administrator,~~ or Commissioner of Labor or for the
7 enforcement of any tax lien authorized by the Uniform State Tax
8 Lien Registration and Enforcement Act, such warrant or levy shall
9 have the same force and effect of a levy and sale pursuant to a
10 writ of execution. Such warrant or levy may be issued and sale
11 made pursuant to it in the same manner and with the same force
12 and effect of a levy and sale pursuant to a writ of execution.
13 The Tax Commissioner, ~~Property Tax Administrator,~~ or Commissioner
14 of Labor shall pay the levying sheriff the same fees, commissions,
15 and expenses pursuant to such warrant as are provided by law for
16 similar services pursuant to a writ of execution, except that fees
17 for publications in a newspaper shall be subject to approval by the
18 Tax Commissioner, ~~Property Tax Administrator,~~ or Commissioner of
19 Labor. Such fees, commissions, and expenses shall be an obligation
20 of the taxpayer and may be collected from the taxpayer by virtue
21 of the warrant. Any such warrant shall show the name and last-known
22 address of the taxpayer, the identity of the tax program, the
23 year for which such tax and any interest, penalty, or addition
24 to such tax is due and the amount thereof, the fact that the Tax
25 Commissioner, ~~Property Tax Administrator,~~ or Commissioner of Labor
1 has complied with all provisions of the law for the applicable tax

2 program which he or she administers in the determination of the
3 amount required to be paid, and that the tax and any interest,
4 penalty, or addition to such tax is due and payable according to
5 law.

6 (4) (a) Any person upon whom a levy is served who fails
7 or refuses to honor the levy without cause may be held liable
8 for the amount of the levy up to the value of the assets of the
9 taxpayer under his or her control at the time the levy was served
10 or thereafter. Such person may be subject to collection provisions
11 as set forth in the act.

12 (b) The effect of a levy on salary, wages, or other
13 regular payments due to or received by a taxpayer shall be
14 continuous from the date the levy is served until the amount of the
15 levy, with accrued interest, is satisfied.

16 (5) Notice of the sale and the time and place of the
17 sale shall be given, to the delinquent taxpayer and to any other
18 person with an interest in the property who has filed for record
19 with the appropriate filing officer on such property, in writing at
20 least twenty days prior to the date of such sale in the following
21 manner: The notice shall be sent by certified mail, return receipt
22 requested, to the taxpayer and to any other person with such
23 interest at his or her last-known residence or place of business
24 in this state. The notice shall also be given by publication at
25 least once each week for four weeks prior to the date of the
1 sale in the newspaper of general circulation published in the

2 county in which the property seized is to be sold. If there is
3 no newspaper of general circulation in the county, notice shall
4 be posted in three public places in the county twenty days prior
5 to the date of the sale. The notice shall contain a description
6 of the property to be sold, a statement of the type of tax due
7 and of the amount due, including interest, penalties, additions
8 to tax, and costs, the name of the delinquent taxpayer, and the
9 further statement that unless the amount due, including interest,
10 penalties, additions to tax, and costs, is paid on or before the
11 time fixed in the notice for the sale or such security as may be
12 determined by the Tax Commissioner, ~~Property Tax Administrator,~~ or
13 Commissioner of Labor is placed with the Tax Commissioner, ~~Property~~
14 ~~Tax Administrator,~~ or Commissioner of Labor, or his or her duly
15 authorized representative, on or before such time, the property, or
16 so much of it as may be necessary, will be sold in accordance with
17 law and the notice.

18 (6) At the sale the Tax Commissioner, ~~Property Tax~~
19 ~~Administrator,~~ or Commissioner of Labor, or his or her duly
20 authorized representative, shall sell the property in accordance
21 with law and the notice and shall deliver to the purchaser a
22 bill of sale for the property. The bill of sale shall vest the
23 interest or title of the person liable for the amount in the
24 purchaser. The unsold portion of any property seized shall remain
25 in the custody and control of the Tax Commissioner, ~~Property~~
1 ~~Tax Administrator,~~ or Commissioner of Labor, or his or her

2 duly authorized representative, until offered for sale again in
3 accordance with this section or redeemed by the taxpayer.

4 (7) Whenever any property which is seized and sold under
5 this section is not sufficient to satisfy the claim of the state
6 for which distraint or seizure is made, the sheriff or duly
7 authorized employee of the Tax Commissioner, or Department of
8 Labor, ~~or Property Tax Administrator~~ may thereafter, and as often
9 as the same may be necessary, proceed to seize and sell in like
10 manner any other property liable to seizure of the taxpayer against
11 whom such claim exists until the amount due from such taxpayer,
12 together with all expenses, is fully paid.

13 (8) If after the sale the money received exceeds the
14 total of all amounts due the state, including any interest,
15 penalties, additions to tax, and costs, and if there is no other
16 interest in or lien upon such money received, the Tax Commissioner,
17 ~~Property Tax Administrator~~, or Commissioner of Labor shall return
18 the excess to the person liable for the amounts and obtain a
19 receipt. If any person having an interest or lien upon the property
20 files with the Tax Commissioner, ~~Property Tax Administrator~~, or
21 Commissioner of Labor prior to the sale notice of his or her
22 interest or lien, the Tax Commissioner, ~~Property Tax Administrator~~,
23 or Commissioner of Labor shall withhold any excess pending a
24 determination of the rights of the respective parties thereto by
25 a court of competent jurisdiction. If for any reason the receipt
1 of the person liable for the amount is not available, the Tax

2 Commissioner, ~~Property Tax Administrator~~, or Commissioner of Labor
3 shall deposit the excess money with the State Treasurer, as trustee
4 for the owner, subject to the order of the person liable for the
5 amount or his or her heirs, successors, or assigns. No interest
6 earned, if any, shall become the property of the person liable for
7 the amount.

8 (9) All persons and officers of companies or corporations
9 shall, on demand of a sheriff or duly authorized employee of
10 the Tax Commissioner, ~~Property Tax Administrator~~, or Department of
11 Labor about to distrain or having distrained any property or right
12 to property, exhibit all books containing evidence or statements
13 relating to the property or rights of property liable to distraint
14 for the tax due.

15 Sec. 129. Section 77-3907, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 77-3907 (1) To enforce collection of any tax not paid
18 when due, the Tax Commissioner, ~~Property Tax Administrator~~, or
19 Commissioner of Labor may make demand upon any security which
20 is provided for by law and which has been submitted to the Tax
21 Commissioner, ~~Property Tax Administrator~~, or Commissioner of Labor
22 on behalf of the person liable for the tax, together with any
23 interest, penalties, additions to tax, and costs thereon. The
24 security may, if necessary, be sold by the Tax Commissioner,
25 ~~Property Tax Administrator~~, or Commissioner of Labor in the manner
1 provided by section 77-27,131.

2 (2) The Tax Commissioner, ~~Property Tax Administrator,~~
 3 or Commissioner of Labor may abate the unpaid portion of the
 4 assessment of any tax, or other liability in respect thereof, if
 5 he or she determines that the administration and collection costs
 6 involved would not warrant collection of the amount due.

7 Sec. 130. Section 77-3908, Reissue Revised Statutes of
 8 Nebraska, is amended to read:

9 77-3908 (1) No injunction or writ of mandamus or other
 10 legal or equitable process shall issue in any suit, action,
 11 or proceeding in any court against this state to enjoin the
 12 collection of any tax, fee, or any amount of tax required
 13 to be collected under any tax program administered by the Tax
 14 Commissioner, ~~Property Tax Administrator,~~ or Commissioner of Labor.

15 (2) The methods of enforcement and collection provided
 16 in the Uniform State Tax Lien Registration and Enforcement Act,
 17 including distraint and sale, shall be fully independent so that
 18 pursuit of any one method shall not be conditioned upon pursuit
 19 of any other, nor shall pursuit of any one method in any way
 20 affect or limit the right of the Tax Commissioner, ~~Property Tax~~
 21 ~~Administrator,~~ or Commissioner of Labor to subsequently pursue any
 22 of the other methods of enforcement or collection.

23 Sec. 131. Section 77-4105, Reissue Revised Statutes of
 24 Nebraska, is amended to read:

25 77-4105 (1) A taxpayer who has signed an agreement under
 1 section 77-4104 may elect to determine taxable income for purposes

2 of the Nebraska income tax using the sales factor only. The
3 election may be made for the year during which the application was
4 filed and for each year thereafter through the eighth year after
5 the end of the entitlement period. The election shall be made for
6 the year of the election by computing taxable income using the
7 sales factor only on the tax return.

8 (2) A taxpayer who has signed an agreement under section
9 77-4104 shall receive the incentive provided in this subsection
10 if the agreement contains one or more projects which together
11 will result in the investment in qualified property of at least
12 ten million dollars and the hiring of at least one hundred new
13 employees. Such ten-million-dollar investment and hiring of at
14 least one hundred new employees shall be considered a required
15 level of investment and employment for this subsection and for the
16 recapture of personal property tax only.

17 The following property used in connection with such
18 project or projects and acquired by the taxpayer, whether by
19 lease or purchase, after the date the application was filed shall
20 constitute separate classes of personal property:

21 (a) Turbine-powered aircraft, including turboprop,
22 turbojet, and turbofan aircraft, except when any such aircraft is
23 used for fundraising for or for the transportation of an elected
24 official;

25 (b) Mainframe business computers used for business
1 information processing which require environmental controls of

2 temperature and power and which are capable of simultaneously
3 supporting more than one transaction and more than one user
4 plus peripheral components which require environmental controls
5 of temperature and power connected to such computers. Computer
6 peripheral components shall be limited to additional memory units,
7 tape drives, disk drives, power supplies, cooling units, and
8 communication controllers; and

9 (c) Personal property which is business equipment located
10 in a single project if (i) the business equipment is involved
11 directly in the manufacture or processing of agricultural products
12 and (ii) the investment in the single project exceeds ten million
13 dollars.

14 Such property shall be eligible for exemption from the
15 tax on personal property from the first January 1 following the
16 date of acquisition for property in subdivision (2)(a) of this
17 section, or from the first January 1 following the end of the
18 year during which the required levels were exceeded for property
19 in subdivisions (2)(b) and (2)(c) of this section, through the
20 sixteenth December 31 after the filing of the application. In order
21 to receive the property tax exemptions allowed by subdivisions
22 (2)(a), (2)(b), and (2)(c) of this section, the taxpayer shall
23 annually file a claim for exemption with the ~~Property Tax~~
24 ~~Administrator~~ Tax Commissioner on or before May 1. The form
25 and supporting schedules shall be prescribed by the ~~Property Tax~~
1 ~~Administrator~~ Tax Commissioner and shall list all property for

2 which exemption is being sought under this section. A separate
3 claim for exemption must be filed for each project and each county
4 in which property is claimed to be exempt. A copy of this form must
5 also be filed with the county assessor in each county in which the
6 applicant is requesting exemption. The ~~Property Tax Administrator~~
7 Tax Commissioner shall determine the eligibility of each item
8 listed for exemption and, on or before August 10, certify such to
9 the taxpayer and to the affected county assessor. Notwithstanding
10 any other provision of law, the ~~Property Tax Administrator~~ Tax
11 Commissioner shall be allowed access to the applications and such
12 other records of the Department of Revenue as necessary in order to
13 determine the eligibility for exemption.

14 (3) When the taxpayer has met the required levels of
15 employment and investment contained in the agreement, the taxpayer
16 shall also be entitled to the following incentives:

17 (a) A refund of all sales and use taxes paid under
18 the Nebraska Revenue Act of 1967, the Local Option Revenue
19 Act, and sections 13-319, 13-324, and 13-2813 from the date of
20 the application through the meeting of the required levels of
21 employment and investment for all purchases, including rentals, of:

22 (i) Qualified property used as a part of the project;

23 (ii) Property, excluding motor vehicles, based in this
24 state and used in both this state and another state in connection
25 with the project except when any such property is to be used for
1 fundraising for or for the transportation of an elected official;

2 (iii) Tangible personal property by the owner of the
 3 improvement to real estate that is incorporated into real estate as
 4 a part of a project; and

5 (iv) Tangible personal property by a contractor or
 6 repairperson after appointment as a purchasing agent of the owner
 7 of the improvement to real estate. The refund shall be based on
 8 fifty percent of the contract price, excluding any land, as the
 9 cost of materials subject to the sales and use tax; and

10 (b) A refund of the sales and use taxes paid under the
 11 Nebraska Revenue Act of 1967, the Local Option Revenue Act, and
 12 sections 13-319, 13-324, and 13-2813 on the types of purchases,
 13 including rentals, listed in subdivision (a) of this subsection for
 14 such taxes paid during each year of the entitlement period in which
 15 the taxpayer is at or above the required levels of employment and
 16 investment.

17 (4) Any taxpayer who qualifies for the incentives
 18 contained in subsections (1) and (3) of this section and who has
 19 added at least thirty new employees at the project shall also be
 20 entitled to:

21 (a) A credit equal to five percent of the amount by which
 22 the total compensation paid during the year to employees who are
 23 either Nebraska employees or base-year employees while employed at
 24 the project exceeds the average compensation paid at the project
 25 multiplied by the number of equivalent base-year employees.

1 For the computation of such credit, average compensation

2 shall mean the total compensation paid at the project divided by
3 the total number of equivalent employees at the project; and

4 (b) A credit equal to ten percent of the investment made
5 in qualified property at the project.

6 The credits prescribed in subdivisions (a) and (b) of
7 this subsection shall be allowable for compensation paid and
8 investments made during each year of the entitlement period that
9 the taxpayer is at or above the required levels of employment and
10 investment.

11 The credit prescribed in subdivision (b) of this
12 subsection shall also be allowable during the first year of the
13 entitlement period for investment in qualified property at the
14 project after the date of the application and before the required
15 levels of employment and investment were met.

16 Sec. 132. Section 77-5007, Revised Statutes Cumulative
17 Supplement, 2006, is amended to read:

18 77-5007 The commission has the power and duty to hear and
19 determine appeals of:

20 (1) Decisions of any county board of equalization
21 equalizing the value of individual tracts, lots, or parcels of
22 real property so that all real property is assessed uniformly and
23 proportionately;

24 (2) Decisions of any county board of equalization
25 granting or denying tax-exempt status for real or personal property
1 or an exemption from motor vehicle taxes and fees;

2 (3) Decisions of the ~~Property Tax Administrator~~ Tax
3 Commissioner determining the taxable property of a railroad
4 company, car company, public service entity, or air carrier within
5 the state;

6 (4) Decisions of the ~~Property Tax Administrator~~ Tax
7 Commissioner determining adjusted valuation pursuant to section
8 79-1016;

9 (5) Decisions of any county board of equalization on
10 the valuation of personal property or any penalties imposed under
11 sections 77-1233.04 and 77-1233.06;

12 (6) Decisions of any county board of equalization on
13 claims that a levy is or is not for an unlawful or unnecessary
14 purpose or in excess of the requirements of the county;

15 (7) Decisions of any county board of equalization
16 granting or rejecting an application for a homestead exemption;

17 (8) Decisions of the Department of Motor Vehicles
18 determining the taxable value of motor vehicles pursuant to section
19 60-3,188;

20 (9) Decisions of the ~~Property Tax Administrator~~ Tax
21 Commissioner made under section 77-1330;

22 (10) Any other decision of any county board of
23 equalization;

24 (11) Any other decision of the ~~Property Tax~~
25 ~~Administrator,~~ Tax Commissioner;

1 (12) Decisions of the Tax Commissioner pursuant to

2 section 77-3520; and

3 (13) Any other decision, determination, action, or order
4 from which an appeal to the commission is authorized.

5 The commission has the power and duty to hear and grant
6 or deny relief on petitions.

7 Sec. 133. Section 77-5008, Reissue Revised Statutes of
8 Nebraska, is amended to read:

9 77-5008 In addition to its other powers and duties,
10 the commission may issue writs of mandamus compelling compliance
11 with its orders and compelling the ~~Property Tax Administrator~~ Tax
12 Commissioner to enforce its orders and may charge the party which
13 has not complied with the commission's orders with costs borne by
14 the ~~Property Tax Administrator.~~ Tax Commissioner.

15 Sec. 134. Section 77-5014, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 77-5014 In cases involving appeals of decisions by a
18 county board of equalization or the ~~Property Tax Administrator,~~
19 Tax Commissioner, the commission shall take evidence and otherwise
20 conduct the appeal as provided in sections 77-5015 to 77-5019.

21 Sec. 135. Section 77-5027, Revised Statutes Cumulative
22 Supplement, 2006, is amended to read:

23 77-5027 (1) The commission shall, pursuant to section
24 77-5026, raise or lower the valuation of any class or subclass
25 of real property in a county when it is necessary to achieve
1 equalization.

2 (2) On or before nineteen days following the final filing
3 due date for the abstract of assessment for real property pursuant
4 to section 77-1514, the ~~Property Tax Administrator~~ Tax Commissioner
5 shall prepare and deliver to the commission and to each county
6 assessor his or her annual reports and opinions.

7 (3) The annual reports and opinions of the ~~Property~~
8 ~~Tax Administrator~~ Tax Commissioner shall contain statistical and
9 narrative reports informing the commission of the level of value
10 and the quality of assessment of the classes and subclasses of real
11 property within the county and a certification of the opinion of
12 the ~~Property Tax Administrator~~ Tax Commissioner regarding the level
13 of value and quality of assessment of the classes and subclasses of
14 real property in the county.

15 (4) In addition to an opinion of level of value
16 and quality of assessment in the county, the ~~Property Tax~~
17 ~~Administrator~~ Tax Commissioner may make nonbinding recommendations
18 for consideration by the commission.

19 (5) The ~~Property Tax Administrator~~ Tax Commissioner shall
20 employ the methods specified in section 77-112, the comprehensive
21 assessment ratio study specified in section 77-1327, other
22 statistical studies, and an analysis of the assessment practices
23 employed by the county assessor. If necessary to determine the
24 level of value and quality of assessment in a county, the ~~Property~~
25 ~~Tax Administrator~~ Tax Commissioner may use sales of comparable real
1 property in market areas similar to the county or area in question

2 or from another county as indicators of the level of value and the
3 quality of assessment in a county. The ~~Property Tax Administrator~~
4 Tax Commissioner may use any other relevant information in
5 providing the annual reports and opinions to the commission.

6 Sec. 136. Section 77-5028, Revised Statutes Cumulative
7 Supplement, 2006, is amended to read:

8 77-5028 After a hearing conducted pursuant to section
9 77-5026, the commission shall enter its order based on information
10 presented to it at the hearing. The order of the commission shall
11 be sent by certified mail to the county assessor and by regular
12 mail to the county clerk and chairperson of the county board on
13 or before May 15 of each year or the date determined by the
14 ~~Property Tax Administrator~~ Tax Commissioner if an extension is
15 ordered pursuant to section 77-1514, unless the offices of the
16 commission are closed, then the order of the commission shall be
17 sent by the end of the next day the commission's offices are open.
18 The order shall specify the percentage increase or decrease and the
19 class or subclass of real property affected or the corrections or
20 adjustments to be made to the class or subclass of real property
21 affected. The specified changes shall be made by the county
22 assessor to each item of real property in the county so affected.

23 Sec. 137. Section 77-5029, Revised Statutes Cumulative
24 Supplement, 2006, is amended to read:

25 77-5029 On or before June 5 of each year, the county
1 assessor of any county adjusted by an order of the commission

2 shall recertify the county abstract of assessment to the ~~Property~~
3 ~~Tax Administrator~~ Tax Commissioner. On or before August 1 of each
4 year, the ~~Property Tax Administrator~~ Tax Commissioner shall certify
5 to the commission that any order issued pursuant to sections
6 77-5023 to 77-5028 was or was not implemented by the county
7 assessor as of June 1 of each year pursuant to section 77-1315.
8 The ~~Property Tax Administrator~~ Tax Commissioner shall audit the
9 records of the county assessor to determine whether the orders were
10 implemented.

11 Sec. 138. Section 77-5030, Reissue Revised Statutes of
12 Nebraska, is amended to read:

13 77-5030 On or before August 10 of each year, the ~~Property~~
14 ~~Tax Administrator~~ Tax Commissioner shall certify the distributed
15 taxable value of the property valued by the state, as equalized by
16 the commission, to each county assessor.

17 Sec. 139. Section 77-5725, Revised Statutes Cumulative
18 Supplement, 2006, is amended to read:

19 77-5725 (1) Applicants may qualify for benefits under the
20 Nebraska Advantage Act in one of five tiers:

21 (a) Tier 1, investment in qualified property of at least
22 one million dollars and the hiring of at least ten new employees.
23 There shall be no new project applications for benefits under
24 this tier filed on or after January 1, 2011, without further
25 authorization of the Legislature. All complete project applications
1 filed before January 1, 2011, shall be considered by the Tax

2 Commissioner and approved if the project and taxpayer qualify
3 for benefits. Agreements may be executed with regard to completed
4 project applications filed before January 1, 2011. All project
5 agreements pending, approved, or entered into before such date
6 shall continue in full force and effect;

7 (b) Tier 2, investment in qualified property of at least
8 three million dollars and the hiring of at least thirty new
9 employees;

10 (c) Tier 3, the hiring of at least thirty new employees.
11 There shall be no new project applications for benefits under
12 this tier filed on or after January 1, 2011, without further
13 authorization of the Legislature. All complete project applications
14 filed before January 1, 2011, shall be considered by the Tax
15 Commissioner and approved if the project and taxpayer qualify
16 for benefits. Agreements may be executed with regard to completed
17 project applications filed before January 1, 2011. All project
18 agreements pending, approved, or entered into before such date
19 shall continue in full force and effect;

20 (d) Tier 4, investment in qualified property of at least
21 ten million dollars and the hiring of at least one hundred new
22 employees; and

23 (e) Tier 5, investment in qualified property of at least
24 thirty million dollars. Failure to maintain an average number of
25 equivalent employees as defined in section 77-5727 greater than or
1 equal to the number of equivalent employees in the base year shall

2 result in a partial recapture of benefits.

3 (2) When the taxpayer has met the required levels of
4 employment and investment contained in the agreement for a tier 1,
5 tier 2, tier 4, or tier 5 project, the taxpayer shall be entitled
6 to the following incentives:

7 (a) A refund of all sales and use taxes for a tier 2,
8 tier 4, or tier 5 project or a refund of one-half of all sales and
9 use taxes for a tier 1 project paid under the Local Option Revenue
10 Act, the Nebraska Revenue Act of 1967, and sections 13-319, 13-324,
11 and 13-2813 from the date of the application through the meeting of
12 the required levels of employment and investment for all purchases,
13 including rentals, of:

14 (i) Qualified property used as a part of the project;

15 (ii) Property, excluding motor vehicles, based in this
16 state and used in both this state and another state in connection
17 with the project except when any such property is to be used for
18 fundraising for or for the transportation of an elected official;

19 (iii) Tangible personal property by the owner of the
20 improvement to real estate that is incorporated into real estate as
21 a part of a project; and

22 (iv) Tangible personal property by a contractor or
23 repairperson after appointment as a purchasing agent of the owner
24 of the improvement to real estate. The refund shall be based on
25 fifty percent of the contract price, excluding any land, as the
1 cost of materials subject to the sales and use tax; and

2 (b) A refund of all sales and use taxes for a tier 2,
3 tier 4, or tier 5 project or a refund of one-half of all sales and
4 use taxes for a tier 1 project paid under the Local Option Revenue
5 Act, the Nebraska Revenue Act of 1967, and sections 13-319, 13-324,
6 and 13-2813 on the types of purchases, including rentals, listed in
7 subdivision (a) of this subsection for such taxes paid during each
8 year of the entitlement period in which the taxpayer is at or above
9 the required levels of employment and investment.

10 (3) Any taxpayer who qualifies for a tier 1, tier 2,
11 tier 3, or tier 4 project shall be entitled to a credit equal to
12 three percent times the average wage of new employees times the
13 number of new employees if the average wage of the new employees
14 equals at least sixty percent of the Nebraska average annual wage
15 for the year of application. The credit shall equal four percent
16 times the average wage of new employees times the number of new
17 employees if the average wage of the new employees equals at least
18 seventy-five percent of the Nebraska average annual wage for the
19 year of application. The credit shall equal five percent times the
20 average wage of new employees times the number of new employees
21 if the average wage of the new employees equals at least one
22 hundred percent of the Nebraska average annual wage for the year of
23 application. The credit shall equal six percent times the average
24 wage of new employees times the number of new employees if the
25 average wage of the new employees equals at least one hundred
1 twenty-five percent of the Nebraska average annual wage for the

2 year of application. For computation of such credit:

3 (a) Average annual wage means the total compensation paid
4 to employees during the year at the project who are not base-year
5 employees and who are paid wages equal to at least sixty percent
6 of the Nebraska average weekly wage for the year of application
7 divided by the number of equivalent employees making up such total
8 compensation;

9 (b) Average wage of new employees means the average
10 annual wage paid to employees during the year at the project who
11 are not base-year employees and who are paid wages equal to at
12 least sixty percent of the Nebraska average weekly wage for the
13 year of application; and

14 (c) Nebraska average annual wage means the Nebraska
15 average weekly wage times fifty-two.

16 (4) Any taxpayer who has met the required levels of
17 employment and investment for a tier 2 or tier 4 project shall
18 receive a credit equal to ten percent of the investment made in
19 qualified property at the project. Any taxpayer who has met the
20 required levels of investment and employment for a tier 1 project
21 shall receive a credit equal to three percent of the investment
22 made in qualified property at the project.

23 (5) The credits prescribed in subsections (3) and (4)
24 of this section shall be allowable for compensation paid and
25 investments made during each year of the entitlement period that
1 the taxpayer is at or above the required levels of employment and

2 investment.

3 (6) The credit prescribed in subsection (4) of this
4 section shall also be allowable during the first year of the
5 entitlement period for investment in qualified property at the
6 project after the date of the application and before the required
7 levels of employment and investment were met.

8 (7)(a) A taxpayer who has met the required levels of
9 employment and investment for a tier 4 project shall receive
10 the incentive provided in this subsection. Such investment and
11 hiring of new employees shall be considered a required level of
12 investment and employment for this subsection and for the recapture
13 of benefits under this subsection only.

14 (b) The following property used in connection with such
15 project or projects and acquired by the taxpayer, whether by
16 lease or purchase, after the date the application was filed shall
17 constitute separate classes of personal property:

18 (i) Turbine-powered aircraft, including turboprop,
19 turbojet, and turbofan aircraft, except when any such aircraft is
20 used for fundraising for or for the transportation of an elected
21 official;

22 (ii) Mainframe business computers used for business
23 information processing which require environmental controls of
24 temperature and power and which are capable of simultaneously
25 supporting more than one transaction and more than one user
1 plus peripheral components which require environmental controls

2 of temperature and power connected to such computers. Computer
3 peripheral components shall be limited to additional memory units,
4 tape drives, disk drives, power supplies, cooling units, and
5 communication controllers;

6 (iii) Depreciable personal property used for a
7 distribution facility, including, but not limited to, storage
8 racks, conveyor mechanisms, forklifts, and other property used to
9 store or move products; and

10 (iv) Personal property which is business equipment
11 located in a single project if the business equipment is involved
12 directly in the manufacture or processing of agricultural products.

13 (c) Such property shall be eligible for exemption from
14 the tax on personal property from the first January 1 following
15 the date of acquisition for property in subdivision (7)(b)(i) of
16 this section, or from the first January 1 following the end of the
17 year during which the required levels were exceeded for property in
18 subdivisions (7)(b)(ii), (iii), and (iv) of this section, through
19 the ninth December 31 after the first year the property qualifies
20 for the exemption. In order to receive the property tax exemptions
21 allowed by subdivisions (7)(b)(i), (ii), (iii), and (iv) of this
22 section, the taxpayer shall annually file a claim for exemption
23 with the ~~Property Tax Administrator~~ Tax Commissioner on or before
24 May 1. The form and supporting schedules shall be prescribed by
25 the ~~Property Tax Administrator~~ Tax Commissioner and shall list all
1 property for which exemption is being sought under this section.

2 A separate claim for exemption must be filed for each project and
3 each county in which property is claimed to be exempt. A copy
4 of this form must also be filed with the county assessor in each
5 county in which the applicant is requesting exemption. The ~~Property~~
6 ~~Tax Administrator~~ Tax Commissioner shall determine the eligibility
7 of each item listed for exemption and, on or before August 10,
8 certify such to the taxpayer and to the affected county assessor.
9 In determining the eligibility of items of personal property for
10 exemption, the ~~Property Tax Administrator~~ Tax Commissioner is
11 limited to the question of whether the property claimed as exempt
12 by the taxpayer falls within the classes of property described in
13 subdivision (7)(b) of this section. The determination of whether
14 a taxpayer is eligible to obtain exemption for personal property
15 based on meeting the required levels of investment and employment
16 is the responsibility of the Tax Commissioner. ~~Notwithstanding~~
17 ~~any other provision of law,~~ the ~~Property Tax Administrator~~ shall
18 be allowed access to the applications and such other records of
19 the Department of Revenue as necessary in order to determine the
20 eligibility for exemption.

21 (8) The investment thresholds in this section for a
22 particular year of application shall be adjusted by the method
23 provided in this subsection. Beginning October 1, 2006, and each
24 October 1 thereafter, the Producer Price Index for all commodities,
25 published by the United States Department of Labor, Bureau of Labor
1 Statistics, for the most recent available period shall be divided

2 by the Producer Price Index for the first quarter of 2006 and
3 the result multiplied by the applicable investment threshold. The
4 investment thresholds shall be adjusted for cumulative inflation
5 since 2006. If the resulting amount is not a multiple of one
6 million dollars, the amount shall be rounded to the next lowest
7 one million dollars. The investment thresholds established by this
8 subsection apply for purposes of project qualifications for all
9 applications filed on or after January 1 of the following year
10 for all years of the project. Adjustments do not apply to projects
11 after the year of application.

12 Sec. 140. Section 77-6006, Revised Statutes Cumulative
13 Supplement, 2006, is amended to read:

14 77-6006 (1) ~~Employees of the Department of Revenue, the~~
15 ~~Department of Property Assessment and Taxation,~~ and the Legislative
16 Council shall be available to the Tax Policy Reform Commission
17 to assist it in carrying out its work. The commission shall
18 contract with a meeting facilitator and may contract with experts
19 from any institution of postsecondary education in the state to
20 provide assistance, specific research, research or policy reports,
21 or presentations to carry out the purposes of section 77-6004,
22 within the constraints of the appropriation provided.

23 (2) Funding for the commission shall be appropriated to
24 the Legislative Council and shall not exceed one hundred thousand
25 dollars.

1 Sec. 141. Section 79-479, Revised Statutes Cumulative

2 Supplement, 2006, as affected by Referendum 2006, No. 422, is
3 amended to read:

4 79-479 (1)(a) Beginning January 1, 1992, any school
5 district boundaries changed by the means provided by Nebraska law,
6 but excluding the method provided by sections 79-407 and 79-473
7 to 79-475, shall be made only upon an order issued by the State
8 Committee for the Reorganization of School Districts or county
9 clerk. The state committee shall not issue an order changing
10 boundaries relating to affiliation of school districts if twenty
11 percent or more of any tract of land under common ownership which
12 is proposing to affiliate is not contiguous to the high school
13 district with which affiliation is proposed unless (i) one or more
14 resident students of the tract of land under common ownership has
15 attended the high school program of the high school district within
16 the immediately preceding ten-year period or (ii) approval of the
17 petition or plan would allow siblings of such resident students to
18 attend the same school as the resident students attended.

19 (b) The order issued by the state committee shall be
20 certified to the county clerk of each county in which boundaries
21 are changed and shall also be certified to the State Department
22 of Education. Whenever the order changes the boundaries of
23 a school district due to the transfer of land, the county
24 assessor, the ~~Property Tax Administrator~~, Tax Commissioner, and
25 the State Department of Education shall be provided with the legal
1 description and a map of the parcel of land which is transferred.

2 Such order shall be issued no later than June 1 and shall have
3 an effective date no later than August 1 of the same year. For
4 purposes of determining school district counts pursuant to sections
5 79-524 and 79-578 and calculating state aid allocations pursuant
6 to the Tax Equity and Educational Opportunities Support Act, any
7 change in school district boundaries with an effective date between
8 June 1 and August 1 of any year shall be considered effective July
9 1 of such year.

10 (2) Unless otherwise provided by state law or by the
11 terms of an affiliation or reorganization plan or petition which is
12 consistent with state law, all assets, including budget authority
13 as provided in sections 79-1023 to 79-1030, and liabilities, except
14 bonded obligations, of school districts merged, dissolved, or
15 annexed shall be transferred to the receiving district or districts
16 on the basis of the proportionate share of assessed valuation
17 received at the time of reorganization. When a Class II, III, IV,
18 or V school district becomes a Class I school district:

19 (a) Which becomes part of a Class VI district which
20 offers instruction in grades six through twelve, 37.9310 percent of
21 the Class II, III, IV, or V district's assets and liabilities shall
22 be transferred to the new Class I district and the remainder shall
23 be transferred to the Class VI district or districts of which the
24 Class I district becomes a part on the basis of the proportionate
25 share of assessed valuation each high school district received at
1 the time of such change in class of district;

2 (b) Which becomes part of a Class VI district which
3 offers instruction in grades seven through twelve, 44.8276 percent
4 of the Class II, III, IV, or V district's assets and liabilities
5 shall be transferred to the new Class I district and the remainder
6 shall be transferred to the Class VI district or districts of
7 which the Class I district becomes a part on the basis of the
8 proportionate share of assessed valuation each high school district
9 received at the time of such change in class of district; or

10 (c) Which is affiliated or becomes part of a Class VI
11 district which offers instruction in grades nine through twelve,
12 61.3793 percent of the Class II, III, IV, or V school district's
13 assets and liabilities shall be transferred to the new Class I
14 district and the remainder shall be transferred to the Class VI
15 district or districts of which the Class I district becomes a part
16 and to the high school district or districts with which the Class I
17 district is affiliated on the basis of the proportionate share of
18 assessed valuation each high school district received at the time
19 of such change in class of district.

20 Sec. 142. Section 79-1016, Revised Statutes Cumulative
21 Supplement, 2006, as affected by Referendum 2006, No. 422, is
22 amended to read:

23 79-1016 (1) On or before August 25, the county assessor
24 shall certify to the ~~Property Tax Administrator~~ Tax Commissioner
25 the total taxable value by school district in the county for the
1 current assessment year on forms prescribed by the ~~Property Tax~~

2 ~~Administrator.~~ Tax Commissioner. The county assessor may amend the
3 filing for changes made to the taxable valuation of the school
4 district in the county if corrections or errors on the original
5 certification are discovered. Amendments shall be certified to the
6 ~~Property Tax Administrator~~ Tax Commissioner on or before September
7 30.

8 (2) On or before October 10, the ~~Property Tax~~
9 ~~Administrator~~ Tax Commissioner shall compute and certify to the
10 State Department of Education the adjusted valuation for the
11 current assessment year for each class of property in each school
12 district and each local system. The adjusted valuation of property
13 for each school district and each local system, for purposes of
14 determining state aid pursuant to the Tax Equity and Educational
15 Opportunities Support Act, shall reflect as nearly as possible
16 state aid value as defined in subsection (3) of this section.
17 The ~~Property Tax Administrator~~ Tax Commissioner shall notify each
18 school district and each local system of its adjusted valuation
19 for the current assessment year by class of property on or before
20 October 10. Establishment of the adjusted valuation shall be based
21 on the taxable value certified by the county assessor for each
22 school district in the county adjusted by the determination of the
23 level of value for each school district from an analysis of the
24 comprehensive assessment ratio study or other studies developed by
25 the ~~Property Tax Administrator,~~ Tax Commissioner, in compliance
1 with professionally accepted mass appraisal techniques, as required

2 by section 77-1327. The ~~Property Tax Administrator~~ Tax Commissioner
3 shall adopt and promulgate rules and regulations setting forth
4 standards for the determination of level of value for school aid
5 purposes.

6 (3) For purposes of this section, state aid value means:

7 (a) For real property other than agricultural and
8 horticultural land, one hundred percent of actual value;

9 (b) For agricultural and horticultural land, seventy-five
10 percent of actual value as provided in sections 77-1359 to 77-1363.
11 For agricultural and horticultural land that receives special
12 valuation pursuant to section 77-1344, seventy-five percent of
13 special valuation as defined in section 77-1343; and

14 (c) For personal property, the net book value as defined
15 in section 77-120.

16 (4) On or before November 10, any local system may
17 file with the ~~Property Tax Administrator~~ Tax Commissioner written
18 objections to the adjusted valuations prepared by the ~~Property~~
19 ~~Tax Administrator,~~ Tax Commissioner, stating the reasons why
20 such adjusted valuations are not the valuations required by
21 subsection (3) of this section. The ~~Property Tax Administrator~~
22 Tax Commissioner shall fix a time for a hearing. Either party shall
23 be permitted to introduce any evidence in reference thereto. On or
24 before January 1, the ~~Property Tax Administrator~~ Tax Commissioner
25 shall enter a written order modifying or declining to modify,
1 in whole or in part, the adjusted valuations and shall certify

2 the order to the State Department of Education. Modification by
3 the ~~Property Tax Administrator~~ Tax Commissioner shall be based
4 upon the evidence introduced at hearing and shall not be limited
5 to the modification requested in the written objections or at
6 hearing. A copy of the written order shall be mailed to the local
7 system within seven days after the date of the order. The written
8 order of the ~~Property Tax Administrator~~ Tax Commissioner may be
9 appealed within thirty days after the date of the order to the
10 Tax Equalization and Review Commission in accordance with section
11 77-5013.

12 (5) On or before November 10, any local system or
13 county official may file with the ~~Property Tax Administrator~~ Tax
14 Commissioner a written request for a nonappealable correction of
15 the adjusted valuation due to clerical error as defined in section
16 77-128 or, for agricultural and horticultural land, assessed value
17 changes by reason of land qualified or disqualified for special
18 use valuation pursuant to sections 77-1343 to 77-1348. On or
19 before the following January 1, the ~~Property Tax Administrator~~ Tax
20 Commissioner shall approve or deny the request and, if approved,
21 certify the corrected adjusted valuations resulting from such
22 action to the State Department of Education.

23 (6) On or before May 31 of the year following the
24 certification of adjusted valuation pursuant to subsection (2) of
25 this section, any local system or county official may file with
1 the ~~Property Tax Administrator~~ Tax Commissioner a written request

2 for a nonappealable correction of the adjusted valuation due to
3 changes to the tax list that change the assessed value of taxable
4 property. Upon the filing of the written request, the ~~Property Tax~~
5 ~~Administrator~~ Tax Commissioner shall require the county assessor
6 to recertify the taxable valuation by school district in the
7 county on forms prescribed by the ~~Property Tax Administrator~~. Tax
8 Commissioner. The recertified valuation shall be the valuation
9 that was certified on the tax list, pursuant to section 77-1613,
10 increased or decreased by changes to the tax list that change
11 the assessed value of taxable property in the school district
12 in the county in the prior assessment year. On or before the
13 following July 31, the ~~Property Tax Administrator~~ Tax Commissioner
14 shall approve or deny the request and, if approved, certify the
15 corrected adjusted valuations resulting from such action to the
16 State Department of Education.

17 (7) No injunction shall be granted restraining the
18 distribution of state aid based upon the adjusted valuations
19 pursuant to this section.

20 (8) A school district whose state aid is to be calculated
21 pursuant to subsection (5) of this section and whose state aid
22 payment is postponed as a result of failure to calculate state
23 aid pursuant to such subsection may apply to the state board for
24 lump-sum payment of such postponed state aid. Such application may
25 be for any amount up to one hundred percent of the postponed state
1 aid. The state board may grant the entire amount applied for or any

2 portion of such amount. The state board shall notify the Director
3 of Administrative Services of the amount of funds to be paid in
4 a lump sum and the reduced amount of the monthly payments. The
5 Director of Administrative Services shall, at the time of the next
6 state aid payment made pursuant to section 79-1022, draw a warrant
7 for the lump-sum amount from appropriated funds and forward such
8 warrant to the district.

9 Sec. 143. Section 79-1031, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 79-1031 The department, with assistance from the
12 ~~Property Tax Administrator,~~ Tax Commissioner, the Legislative
13 Fiscal Analyst, and the budget division of the Department of
14 Administrative Services, shall annually, on or before November
15 15, provide an estimate of the necessary funding level for the
16 next school fiscal year under the Tax Equity and Educational
17 Opportunities Support Act to the Governor, the Appropriations
18 Committee of the Legislature, and the Education Committee of the
19 Legislature.

20 Sec. 144. Section 79-1065.02, Revised Statutes Cumulative
21 Supplement, 2006, is amended to read:

22 79-1065.02 (1) State aid payments shall be adjusted to
23 reflect transfers of property due to annexation, to any dissolution
24 of a Class I school district, and to any reorganization involving
25 one or more Class I school districts.

1 (2) This section applies whenever:

2 (a) A Class I school district dissolves or reorganizes
3 in such a manner that the parcels of property making up the Class
4 I district prior to the dissolution or reorganization which were
5 affiliated with a Class II, III, IV, or V school district do not
6 become part of the Class II, III, IV, or V school district with
7 which such parcels of property were affiliated; or

8 (b) Property within the boundaries of a Class II, III,
9 IV, V, or VI school district is transferred to another school
10 district due to a change in the school district boundaries in
11 response to annexation of the transferred property by a city or
12 village.

13 (3) To qualify for additional state aid pursuant to
14 this section, the school district from which property is being
15 transferred shall apply on a form prescribed by the State
16 Department of Education on or before August 20 preceding the first
17 school fiscal year for which the property will not be available for
18 taxation for the school district's general fund levy. On or before
19 such deadline, the applicant school district shall send copies of
20 the application to the high school districts of the local systems
21 receiving valuation in the transfer. For purposes of this section,
22 property is deemed transferred from the school district whether the
23 property was within the boundaries of the school district or the
24 property was affiliated with the school district.

25 (4) Upon receipt of the application, the department, with
1 the assistance of the ~~Property Tax Administrator~~, Tax Commissioner,

2 shall calculate the amount of additional state aid, if any, that
3 the local system, as defined in section 79-1003, for the applicant
4 school district would have received for such school fiscal year if
5 the adjusted valuation for the transferred property had not been
6 included in the adjusted valuation of such local system for the
7 calculation of state aid for such school fiscal year. On or before
8 September 20 of such school fiscal year, the department shall
9 certify to the applicant school district the amount of additional
10 state aid, if any, the district will receive. Except as otherwise
11 provided in this subsection, if such applicant school district
12 receives a lump-sum payment pursuant to subsection (2) of section
13 79-1022, such lump-sum payment shall be increased by the amount
14 of additional state aid. Except as otherwise provided in this
15 subsection, if such applicant school district does not receive a
16 lump-sum payment pursuant to such subsection, state aid payments
17 shall be increased by one-tenth of the amount of additional state
18 aid for each of the ten state aid payments for such school fiscal
19 year. If a portion of the total reduction calculated pursuant
20 to subsection (5) of this section for local systems receiving
21 valuation in the transfer of property that is the subject of the
22 application is delayed until future years, the additional state aid
23 to be paid in the school fiscal year described in subsection (3) of
24 this section shall be reduced by the amount of the total reduction
25 that is delayed until future years. The amount of the reduction
1 shall be paid as additional aid in the next school fiscal year.

2 (5) The state aid payments shall be reduced for the high
3 school district of each receiving local system. An amount equal to
4 the additional state aid calculated pursuant to subsection (4) of
5 this section for the local system of an applicant school district
6 shall be attributed to the local systems receiving valuation in
7 such transfer based upon the ratio of the adjusted valuation
8 received by each local system divided by the total adjusted
9 valuation transferred from the applicant school district. If such
10 high school district receives a lump-sum payment pursuant to
11 subsection (2) of section 79-1022, such lump-sum payment shall be
12 reduced by the amount attributed to the receiving local system.
13 If the high school district of a receiving local system does not
14 receive a lump-sum payment pursuant to such subsection, state aid
15 payments shall be reduced by one-tenth of the amount attributed
16 to such receiving local system for each of the ten state aid
17 payments for such school fiscal year. If the total reduction is
18 greater than the total state aid payments for such school fiscal
19 year, the remainder shall be subtracted from state aid payments
20 in future school fiscal years until the total reduction has been
21 subtracted from state aid payments. On or before September 20 of
22 such school fiscal year, the department shall certify to the high
23 school district of the receiving local system the amount of the
24 reduction in state aid.

25 (6) For purposes of the final calculation of state aid
1 pursuant to section 79-1065, the adjusted valuation of the property

2 that was transferred shall also be transferred for purposes of
3 adjusted valuation for the final calculation of state aid. For
4 determining adjustments in state aid pursuant to section 79-1065,
5 the final calculation of state aid shall be compared to the
6 state aid certified for such school fiscal year combined with
7 any adjustments in state aid payments and transfers from other
8 districts pursuant to this section.

9 Sec. 145. Section 79-2102, Revised Statutes Cumulative
10 Supplement, 2006, is amended to read:

11 79-2102 (1) On or before August 1, 2006, and on or
12 before August 1 following the official designation of any new
13 city of the metropolitan class or any valid request to form a
14 new learning community, the Secretary of State shall certify the
15 establishment of a new learning community with an effective date
16 of September 1 of the year of such certification to the county
17 clerks and county assessors of the counties with territory in the
18 new learning community, to the ~~Property Tax Administrator, Tax~~
19 Commissioner, to the State Department of Education, and to the
20 school boards of the member school districts of the new learning
21 community. A learning community shall be established for each city
22 of the metropolitan class and shall include all school districts
23 for which the principal office of the school district is located
24 in the county where the city of the metropolitan class is located
25 and all school districts for which the principal office of the
1 school district is located in a county that has a contiguous border

2 of at least five miles in the aggregate with such city of the
3 metropolitan class. A learning community may also be established
4 for one or more counties at the request of the school boards of
5 all school districts for which the principal office of the school
6 district is located in the specified county or counties if such
7 school districts have a minimum combined total of at least two
8 thousand students, except that districts in local systems that are
9 in the sparse cost grouping or the very sparse cost grouping as
10 described in section 79-1007.02 need not have a minimum combined
11 total of at least two thousand students but a learning community
12 with fewer than two thousand students shall include at least two
13 school districts. Such requests shall be received by the Secretary
14 of State on or before March 1 to be effective the following
15 September 1.

16 (2) On or before September 1 following the certification
17 of the establishment of a new learning community, the school
18 board of each member school district shall appoint a member of
19 such school board to serve on the learning community coordinating
20 council and shall notify the Secretary of State of the appointment.
21 The Secretary of State or his or her designee shall convene a
22 meeting of the new council during the month of September and
23 each month thereafter through the following June. At the September
24 meeting, the council shall elect officers and shall begin taking
25 the necessary steps to begin operating as a learning community.
1 The Secretary of State or his or her designee shall schedule and

2 host each meeting and shall serve as a facilitator at each meeting.
3 The Secretary of State may contract for facilitation services. In
4 any fiscal year that one or more new learning communities are
5 established, the Secretary of State shall report to the Education
6 Committee of the Legislature on or before December 31 and on
7 or before June 30, regarding the progress of any new learning
8 community coordinating councils.

9 Sec. 146. Section 81-101, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 81-101 The civil administration of the laws of the
12 state is vested in the Governor. For the purpose of aiding
13 the Governor in the execution and administration of the laws,
14 the executive and administrative work shall be divided into
15 the following departments: (1) Department of Agriculture; (2)
16 Department of Labor; (3) Department of Roads; (4) Department
17 of Natural Resources; (5) Department of Banking and Finance;
18 (6) Department of Insurance; (7) Department of Motor Vehicles;
19 (8) Department of Administrative Services; (9) Department of
20 Economic Development; (10) Department of Correctional Services;
21 (11) Nebraska State Patrol; (12) Department of Health and Human
22 Services; (13) Department of Health and Human Services Regulation
23 and Licensure; and (14) Department of Health and Human Services
24 Finance and Support. ~~and (15) Department of Property Assessment~~
25 ~~and Taxation.~~

1 Sec. 147. Section 81-102, Reissue Revised Statutes of

2 Nebraska, is amended to read:

3 81-102 The Governor shall appoint heads for the various
4 departments, subject to confirmation by a majority vote of
5 the members elected to the Legislature. Such appointments shall
6 be submitted to the Legislature within sixty calendar days
7 following the first Thursday after the first Tuesday in each
8 odd-numbered year. The officers shall be designated as follows: (1)
9 The Director of Agriculture for the Department of Agriculture;
10 (2) the Commissioner of Labor for the Department of Labor;
11 (3) the Director-State Engineer for the Department of Roads;
12 (4) the Director of Natural Resources for the Department of
13 Natural Resources; (5) the Director of Banking and Finance for
14 the Department of Banking and Finance; (6) the Director of
15 Insurance for the Department of Insurance; (7) the Director
16 of Motor Vehicles for the Department of Motor Vehicles; (8)
17 the Director of Administrative Services for the Department of
18 Administrative Services; (9) the Director of Correctional Services
19 for the Department of Correctional Services; (10) the Director of
20 Economic Development for the Department of Economic Development;
21 (11) the Superintendent of Law Enforcement and Public Safety
22 for the Nebraska State Patrol; (12) the Director of Health and
23 Human Services for the Department of Health and Human Services;
24 (13) the Director of Regulation and Licensure for the Department
25 of Health and Human Services Regulation and Licensure; (14) the
1 Director of Finance and Support for the Department of Health

2 and Human Services Finance and Support; and (15) the ~~Property~~
3 ~~Tax Administrator for the Department of Property Assessment and~~
4 ~~Taxation.~~ Tax Commissioner for the Department of Revenue. Whoever
5 shall be so nominated by the Governor and shall fail to receive the
6 number of votes requisite for confirmation, shall not be subject to
7 nomination or appointment for this or any other appointive state
8 office requiring confirmation by the Legislature during the period
9 for which his or her appointment was sought. In case of a vacancy
10 in any of such offices during the recess of the Legislature, the
11 Governor shall make a temporary appointment until the next meeting
12 of the Legislature, when he or she shall nominate some person to
13 fill such office. Any person so nominated who is confirmed by the
14 Legislature, shall hold his or her office during the remainder of
15 the term if a specific term has been provided by law, otherwise
16 during the pleasure of the Governor subject to the provisions
17 of this section; except any such officers may be removed by the
18 Governor pursuant to Article IV of the Constitution of Nebraska.

19 Sec. 148. Section 81-1401, Revised Statutes Cumulative
20 Supplement, 2006, is amended to read:

21 81-1401 For purposes of sections 81-1401 to 81-1414,
22 unless the context otherwise requires:

23 (1) Commission means the Nebraska Commission on Law
24 Enforcement and Criminal Justice;

25 (2) Council means the Nebraska Police Standards Advisory
1 Council;

2 (3) Handgun means any firearm with a barrel less than
3 sixteen inches in length or any firearm designed to be held and
4 fired by the use of a single hand;

5 (4) Law enforcement agency means the police department
6 or the town marshal in incorporated municipalities, the office of
7 sheriff in unincorporated areas, and the Nebraska State Patrol;

8 (5)(a) Law enforcement officer means any person who
9 is responsible for the prevention or detection of crime or the
10 enforcement of the penal, traffic, or highway laws of the state or
11 any political subdivision of the state for more than one hundred
12 hours per year and is authorized by law to make arrests and
13 includes, but is not limited to:

14 (i) A full-time or part-time member of the Nebraska State
15 Patrol;

16 (ii) A county sheriff;

17 (iii) A full-time or part-time employee of a county
18 sheriff's office;

19 (iv) A full-time or part-time employee of a municipal or
20 village police agency; or

21 (v) A full-time employee of an organized and paid
22 fire department of any city of the metropolitan class who is
23 an authorized arson investigator and whose duties consist of
24 determining the cause, origin, and circumstances of fires or
25 explosions while on duty in the course of an investigation;

1 (b) Law enforcement officer does not include employees

2 of the Department of Correctional Services, probation officers
3 under the Nebraska Probation System, parole officers appointed by
4 the Parole Administrator, ~~employees of the Department of Property~~
5 ~~Assessment and Taxation under section 77-704,~~ or employees of the
6 Department of Revenue under section 77-366; and

7 (c) A law enforcement officer shall possess a valid law
8 enforcement officer certificate or diploma, as established by the
9 council, in order to be vested with the authority of this section,
10 but this subdivision does not prohibit an individual from receiving
11 a conditional appointment as an officer pursuant to subsection (2)
12 of section 81-1414;

13 (6) Director means the director of the Nebraska Law
14 Enforcement Training Center;

15 (7) Training academy means the training center or
16 such other council-approved law enforcement training facility
17 operated and maintained by a law enforcement agency which offers
18 certification training that meets or exceeds the certification
19 training curriculum of the training center;

20 (8) Training center means the Nebraska Law Enforcement
21 Training Center; and

22 (9) Training school means a public or private institution
23 of higher education, including the University of Nebraska, the
24 Nebraska state colleges, and the community colleges of this
25 state, that offers training in a council-approved pre-certification
1 course.

2 Sec. 149. Section 81-15,102.01, Reissue Revised Statutes
3 of Nebraska, is amended to read:

4 81-15,102.01 (1) Any owner of real property that is
5 within a three-mile radius of the facility on the date a license
6 for such facility is granted who believes that his or her property
7 has declined in value as a result of construction of the facility
8 or his or her heirs or assigns may apply for compensation as
9 provided in this section. Any application for compensation shall
10 be filed within five years of the date the facility first begins
11 accepting low-level radioactive waste. Upon application by a real
12 property owner, the county board of the county in which the
13 facility is located shall hold a hearing to determine whether a
14 loss of real property value has occurred. In reaching a decision,
15 the county board shall consider the value of such property on the
16 date a license is granted to the developer, using appraisals,
17 valuations made by the county assessor of the county, data
18 developed by the ~~Property Tax Administrator,~~ Tax Commissioner,
19 and any other relevant data, including appraisals which the
20 county board may order. If the real property owner establishes
21 by a preponderance of the evidence that his or her property has
22 suffered loss which has not previously been compensated due to
23 the construction of the facility, the developer shall provide
24 compensation to the real property owner for the amount of the
25 loss. Compensation shall be provided by the developer from fees
1 assessed upon generators of low-level radioactive waste at the time

2 such waste is delivered to the facility. Any real property owner
3 aggrieved by a final decision of the county board shall be entitled
4 to an appeal in the same manner as appeals are taken pursuant to
5 section 23-135.

6 (2) As used in this section, real property owner shall
7 mean the owner of record in the office of the county register of
8 deeds on the date a license is granted to the developer as provided
9 in section 81-15,101 or his or her heirs or assigns.

10 Sec. 150. Section 81-15,113.01, Revised Statutes
11 Cumulative Supplement, 2006, is amended to read:

12 81-15,113.01 (1) There is hereby created the Community
13 Improvements Cash Fund which shall be under the direction of the
14 department. The Central Interstate Low-Level Radioactive Waste
15 Compact Commission shall annually through 1998 remit to the
16 department the funds received from the states belonging to
17 the Central Interstate Low-Level Radioactive Waste Compact as
18 compensation paid to the host state. When the facility begins
19 operation, the developer shall levy, collect, and remit to the
20 department a surcharge on the rates charged to the users of the
21 facility which is sufficient to raise two million dollars per year
22 together with any adjustments made by the department pursuant to
23 this section. The department shall remit such surcharge to the
24 State Treasurer who shall credit it to the Community Improvements
25 Cash Fund. On October 1, 1990, and each October 1 thereafter, the
1 department shall adjust the amount to be remitted by the developer

2 by an amount equal to the percentage increase in the Consumer
3 Price Index or, if publication of the Consumer Price Index is
4 discontinued, a comparable index selected by the director. Any
5 money in the fund available for investment shall be invested by the
6 state investment officer pursuant to the Nebraska Capital Expansion
7 Act and the Nebraska State Funds Investment Act.

8 (2) The department shall distribute money from the fund
9 as follows:

10 (a) Prior to final site selection, three hundred thousand
11 dollars per year shall be allocated for public purposes to be
12 divided among the communities that are under active consideration
13 to host the facility as provided in subsection (3) of this section;

14 (b) After the final site has been selected and until the
15 facility is operational, three hundred thousand dollars per year
16 shall be allocated for public purposes as provided in subsection
17 (3) of this section. Acceptance of the funds distributed pursuant
18 to this subdivision or subdivision (a) of this subsection shall in
19 no way affect the siting process; and

20 (c) Once the facility is operational and during the
21 operational life of the facility, the total amount in the fund
22 shall be allocated each year for public purposes as provided in
23 subsection (3) of this section.

24 (3) Money distributed pursuant to subdivisions (2)(a),
25 (b), and (c) of this section shall be allocated as follows:

1 (a) Fifty percent of such money shall be distributed to

2 incorporated municipalities which lie totally or partially within
3 ten kilometers of the facility or the proposed facility based
4 on the ratio of the population of the particular incorporated
5 municipality to the total population of all such incorporated
6 municipalities as determined by the latest federal census; and

7 (b) Fifty percent of such money shall be distributed to
8 the county treasurer of the county where the facility is located
9 or proposed to be located to be distributed to each political
10 subdivision which levied property taxes on the property where the
11 facility is located or proposed to be located. The money shall
12 be distributed on the basis of the ratio of the total amount of
13 taxes levied by each political subdivision to the total amount of
14 property taxes levied by all such political subdivisions on such
15 property based on the amounts stated in the most recent certificate
16 of taxes levied submitted by each county to the ~~Property Tax~~
17 ~~Administrator~~ Tax Commissioner pursuant to section 77-1613.01.

18 (4) The Natural Resources Committee of the Legislature
19 shall conduct a study to establish a formula for the equitable
20 distribution of the funds specified in subdivision (2)(c) of this
21 section. The committee shall hold public hearings necessary to
22 carry out the purposes of the study.

23 (5) The State Treasurer shall transfer the entire balance
24 in the Community Improvements Cash Fund, including any investment
25 income credited to the fund, to the General Fund as soon as
1 possible after August 15, 2005.

2 Sec. 151. Section 86-570, Revised Statutes Cumulative
3 Supplement, 2006, is amended to read:

4 86-570 (1) The Geographic Information System Steering
5 Committee is hereby created and shall consist of nineteen members
6 as follows:

7 (a) The Chief Information Officer or his or her designee
8 and the director or designee of the Department of Environmental
9 Quality, the Department of Health and Human Services Regulation
10 and Licensure, the Conservation and Survey Division of the
11 University of Nebraska, the Department of Natural Resources, and
12 the Governor's Policy Research Office;

13 (b) The Director-State Engineer or designee;

14 (c) The State Surveyor or designee;

15 (d) The Clerk of the Legislature or designee;

16 (e) The secretary of the Game and Parks Commission or
17 designee;

18 (f) The ~~Property Tax Administrator~~ Tax Commissioner or
19 designee;

20 (g) One representative of federal agencies appointed by
21 the Governor;

22 (h) One representative of the natural resources districts
23 nominated by the Nebraska Association of Resources Districts and
24 appointed by the Governor;

25 (i) One representative of the public power districts
1 appointed by the Governor;

2 (j) Two representatives of the counties nominated by
3 the Nebraska Association of County Officials and appointed by the
4 Governor;

5 (k) One representative of the municipalities nominated
6 by the League of Nebraska Municipalities and appointed by the
7 Governor; and

8 (1) Two members at large appointed by the Governor.

9 (2) The appointed members shall serve for terms of
10 four years, except that of the initial members appointed by the
11 Governor, one of the representatives of the counties shall be
12 appointed for one year and the other shall be appointed for three
13 years, one of the members at large shall be appointed for one
14 year and the other for three years, and the representative of the
15 public power districts shall be appointed for two years. Their
16 successors shall be appointed for four-year terms. Any vacancy on
17 the committee shall be filled in the same manner as the original
18 appointment, and the person selected to fill such vacancy shall
19 have the same qualifications as the member whose vacancy is being
20 filled.

21 (3) The members shall be reimbursed for their actual and
22 necessary expenses as provided in sections 81-1174 to 81-1177.

23 Sec. 152. This act becomes operative on July 1, 2007.

24 Sec. 153. Original sections 18-2713, 23-1611, 49-506,
25 49-617, 57-239, 72-258.03, 76-214, 77-115, 77-120, 77-202.01,
1 77-202.05, 77-202.09, 77-361, 77-370, 77-374, 77-377, 77-414,

LB 334

LB 334

2 77-420, 77-421, 77-601, 77-602, 77-603.01, 77-604, 77-605,
3 77-607, 77-609, 77-616, 77-621, 77-623, 77-680, 77-681,
4 77-682, 77-683, 77-685, 77-686, 77-687, 77-689, 77-690, 77-691,
5 77-693, 77-701, 77-702, 77-705, 77-706, 77-709, 77-801.02,
6 77-802.01, 77-803, 77-804, 77-1216, 77-1233.06, 77-1245,
7 77-1247, 77-1248, 77-1249.01, 77-1250, 77-1250.02, 77-1250.03,
8 77-1250.04, 77-1250.05, 77-1301.01, 77-1306.01, 77-1329, 77-1332,
9 77-1334, 77-1339, 77-1340.01, 77-1346, 77-1371, 77-1374, 77-1376,
10 77-1377, 77-1601, 77-1613.01, 77-1615.01, 77-1735, 77-1736.06,
11 77-1749, 77-1750, 77-1763, 77-1766, 77-1775.01, 77-27,137,
12 77-3523, 77-3902, 77-3903, 77-3904, 77-3905, 77-3906, 77-3907,
13 77-3908, 77-4105, 77-5008, 77-5014, 77-5030, 79-1031, 81-101,
14 81-102, and 81-15,102.01, Reissue Revised Statutes of Nebraska,
15 sections 11-201, 13-2507, 18-2117.01, 18-2147, 23-3202, 60-147,
16 60-3,189, 60-3,202, 77-202.02, 77-202.03, 77-202.04, 77-202.12,
17 77-202.13, 77-366, 77-422, 77-603, 77-612, 77-684, 77-801, 77-802,
18 77-802.02, 77-1229, 77-1249, 77-1311, 77-1311.02, 77-1327, 77-1330,
19 77-1331, 77-1333, 77-1340, 77-1342, 77-1345, 77-1355, 77-1363,
20 77-1392, 77-1504.01, 77-1507, 77-1514, 77-1775, 77-5007, 77-5027,
21 77-5028, 77-5029, 77-5725, 77-6006, 79-1065.02, 79-2102, 81-1401,
22 81-15,113.01, 86-570, Revised Statutes Cumulative Supplement, 2006,
23 and sections 79-479 and 79-1016, Revised Statutes Cumulative
24 Supplement, 2006, as affected by Referendum 2006, No. 422, are
25 repealed.

1 Sec. 154. The following sections are outright repealed:

LB 334

LB 334

2 Sections 77-415, 77-417, 77-704, 77-707, 77-708, and 81-109,
3 Reissue Revised Statutes of Nebraska, and section 77-703, Revised
4 Statutes Cumulative Supplement, 2006.

5 Sec. 155. Since an emergency exists, this act takes
6 effect when passed and approved according to law.