

LEGISLATURE OF NEBRASKA  
 ONE HUNDRED SECOND LEGISLATURE  
 FIRST SESSION  
**LEGISLATIVE BILL 457**

Introduced by Campbell, 25.

Read first time January 14, 2011

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend sections  
 2 77-123, 77-1301, 77-1303, 77-1311, 77-1311.03, 77-1315,  
 3 77-1315.01, 77-1317, 77-1318, 77-1514, and 77-5027,  
 4 Reissue Revised Statutes of Nebraska, and sections  
 5 77-1502 and 77-1507, Revised Statutes Cumulative  
 6 Supplement, 2010; to change certain dates relating to  
 7 property taxes; to require notice of preliminary  
 8 valuations of real property; to provide for in-person  
 9 meetings relating to property taxes as prescribed; to  
 10 harmonize provisions; to provide an operative date; and  
 11 to repeal the original sections.  
 12 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-123, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           77-123 Omitted property means, for the current tax year,  
4 any taxable real property that was not assessed on March ~~19-31~~ and  
5 any taxable tangible personal property that was not assessed on May  
6 1. Omitted property also means any taxable real or tangible personal  
7 property that was not assessed for any prior tax year. Omitted  
8 property does not include property exempt under subdivisions (1)(a)  
9 through (d) of section 77-202, listing errors of an item of property  
10 on the assessment roll of the county assessor, or clerical errors as  
11 defined in section 77-128.

12           Sec. 2. Section 77-1301, Reissue Revised Statutes of  
13 Nebraska, is amended to read:

14           77-1301 (1) All real property in this state subject to  
15 taxation shall be assessed as of January 1 at 12:01 a.m., which  
16 assessment shall be used as a basis of taxation until the next  
17 assessment.

18           (2) The county assessor shall provide notice of  
19 preliminary valuations to real property owners on or before January  
20 15 of each year. Such notice shall be (a) mailed to the taxpayer, (b)  
21 published on a web site maintained by the county assessor or by the  
22 county, or (c) published in the English language in a legal newspaper  
23 of general circulation in such county or, in counties having more  
24 than two hundred fifty thousand inhabitants, in a daily legal  
25 newspaper of general circulation in such county, as designated by the

1 county board.

2 ~~(2)~~(3) The county assessor shall complete the assessment  
3 of real property on or before March ~~19~~31 of each year.

4 Sec. 3. Section 77-1303, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6 77-1303 (1) On or before March ~~19~~31 of each year, the  
7 county assessor or county clerk shall make up an assessment roll of  
8 the taxable real property in the county.

9 (2) The county assessor or county clerk shall enter in  
10 the proper column, opposite each respective parcel, the name of the  
11 owner thereof so far as he or she is able to ascertain the same. The  
12 assessment roll shall contain columns in which may be shown the  
13 number of acres or lots and the value thereof, the improvements and  
14 the value thereof, the total value of the acres or lots and  
15 improvements, and the improvements on leased lands and the value and  
16 owner thereof and such other columns as may be required.

17 Sec. 4. Section 77-1311, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19 77-1311 The county assessor shall have general  
20 supervision over and direction of the assessment of all property in  
21 his or her county. In addition to the other duties provided by law,  
22 the county assessor shall:

23 (1) Annually revise the real property assessment for the  
24 correction of errors;

25 (2) When a parcel has been assessed and thereafter part

1 or parts are transferred to a different ownership, set off and  
2 apportion to each its just and equitable portion of the assessment;

3 (3) Obey all rules and regulations made under Chapter 77  
4 and the instructions and orders sent out by the Tax Commissioner and  
5 the Tax Equalization and Review Commission;

6 (4) Examine the records in the office of the register of  
7 deeds and county clerk for the purpose of ascertaining whether the  
8 property described in producing mineral leases, contracts, and bills  
9 of sale, have been fully and correctly listed and add to the  
10 assessment roll any property which has been omitted; ~~and~~

11 (5) Prepare the assessment roll as defined in section  
12 77-129 and described in section 77-1303; ~~and -~~

13 (6) Provide, between January 15 and March 15 of each  
14 year, the opportunity to real property owners to meet in person with  
15 the county assessor or the county assessor's designated  
16 representative. During such meetings, the county assessor or the  
17 county assessor's designated representative shall provide a basis for  
18 the property valuation contained in the notice of preliminary  
19 valuation sent pursuant to section 77-1301 and accept any information  
20 the property owner provides relevant to the property value.

21 Sec. 5. Section 77-1311.03, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23 77-1311.03 On or before March ~~19~~31 of each year, each  
24 county assessor shall conduct a systematic inspection and review by  
25 class or subclass of a portion of the taxable real property parcels

1 in the county for the purpose of achieving uniform and proportionate  
2 valuations and assuring that the real property record data accurately  
3 reflects the property. The county assessor shall adjust the value of  
4 all other taxable real property parcels by class or subclass in the  
5 county so that the value of all real property is uniform and  
6 proportionate. The county assessor shall determine the portion to be  
7 inspected and reviewed each year to assure that all parcels of real  
8 property in the county have been inspected and reviewed no less  
9 frequently than every six years.

10 Sec. 6. Section 77-1315, Reissue Revised Statutes of  
11 Nebraska, is amended to read:

12 77-1315 (1) The county assessor shall, after March ~~19~~31  
13 and on or before June 1, implement adjustments to the real property  
14 assessment roll for actions of the Tax Equalization and Review  
15 Commission.

16 (2) On or before June 1, in addition to the notice of  
17 preliminary valuation sent pursuant to section 77-1301, the county  
18 assessor shall notify the owner of record as of May 20 of every item  
19 of real property which has been assessed at a value different than in  
20 the previous year. Such notice shall be given by first-class mail  
21 addressed to such owner's last-known address. It shall identify the  
22 item of real property and state the old and new valuation, the date  
23 of convening of the county board of equalization, the dates for  
24 filing a protest, and the average level of value of all classes and  
25 subclasses of real property in the county as determined by the Tax

1 Equalization and Review Commission.

2 (3) Immediately upon completion of the assessment roll,  
3 the county assessor shall cause to be published in a newspaper of  
4 general circulation in the county a certification that the assessment  
5 roll is complete and notices of valuation changes have been mailed  
6 and provide the final date for filing valuation protests with the  
7 county board of equalization.

8 (4) The county assessor shall annually, on or before June  
9 6, post in his or her office and, as designated by the county board,  
10 mail to a newspaper of general circulation and to licensed broadcast  
11 media in the county the assessment ratios as found in his or her  
12 county as determined by the Tax Equalization and Review Commission  
13 and any other statistical measures, including, but not limited to,  
14 the assessment-to-sales ratio, the coefficient of dispersion, and the  
15 price-related differential.

16 Sec. 7. Section 77-1315.01, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18 77-1315.01 After March ~~19~~31 and on or before July 25 or  
19 on or before August 10 in counties that have adopted a resolution to  
20 extend the deadline for hearing protests under section 77-1502, the  
21 county assessor shall report to the county board of equalization any  
22 overvaluation or undervaluation of any real property. The county  
23 board of equalization shall consider the report in accordance with  
24 section 77-1504.

25 The current year's assessed valuation of any real

1 property shall not be changed by the county assessor after March ~~19~~  
2 31 except by action of the Tax Equalization and Review Commission or  
3 the county board of equalization.

4           Sec. 8. Section 77-1317, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6           77-1317 It shall be the duty of the county assessor to  
7 report to the county board of equalization all real property in his  
8 or her county that, for any reason, was omitted from the assessment  
9 roll for the current year, after March ~~19~~, 31, or any former year.  
10 The assessment shall be made by the county board of equalization in  
11 accordance with sections 77-1504 and 77-1507. After county board of  
12 equalization action pursuant to section 77-1504 or 77-1507, the  
13 county assessor shall correct the assessment and tax rolls as  
14 provided in section 77-1613.02. No real property shall be assessed  
15 for any prior year under this section when such real property has  
16 changed ownership otherwise than by will, inheritance, or gift.

17           Sec. 9. Section 77-1318, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19           77-1318 All taxes charged under section 77-1317 shall be  
20 exempt from any back interest or penalty and shall be collected in  
21 the same manner as other taxes levied upon real estate, except for  
22 taxes charged on improvements to real property made after September  
23 1, 1980. Interest at the rate provided in section 77-207 and the  
24 following penalties and interest on penalties for late reporting or  
25 failure to report such improvements pursuant to section 77-1318.01

1 shall be collected in the same manner as other taxes levied upon real  
2 property. The penalty for late reporting or failure to report  
3 improvements made to real property after September 1, 1980, shall be  
4 as follows: (1) A penalty of twelve percent of the tax due on the  
5 improvements for each taxing period for improvements voluntarily  
6 filed or reported after March ~~19-31~~ has passed; and (2) a penalty of  
7 twenty percent of the tax due on improvements for each taxing period  
8 for improvements not voluntarily reported for taxation purposes after  
9 March ~~19-31~~ has passed. Interest at the rate specified in section  
10 45-104.01, as such rate may from time to time be adjusted by the  
11 Legislature, shall be assessed upon such penalty from the date of  
12 delinquency of the tax until paid. No penalty excluding interest  
13 shall be charged in excess of one thousand dollars per year. For  
14 purposes of this section, improvement shall mean any new construction  
15 of or change to an item of real property as defined in section  
16 77-103.

17 Any additional taxes, penalties, or interest on penalties  
18 imposed pursuant to this section may be appealed in the same manner  
19 as appeals are made under section 77-1233.06.

20 Sec. 10. Section 77-1502, Revised Statutes Cumulative  
21 Supplement, 2010, is amended to read:

22 77-1502 (1) The county board of equalization shall meet  
23 for the purpose of reviewing and deciding written protests filed  
24 pursuant to this section beginning on or after June 1 and ending on  
25 or before July 25 of each year. Protests regarding real property



1 shall be signed and filed after the county assessor's completion of  
2 the real property assessment roll required by section 77-1315 and on  
3 or before June 30. For protests of real property, a protest shall be  
4 filed for each parcel. Protests regarding taxable tangible personal  
5 property returns filed pursuant to section 77-1229 from January 1  
6 through May 1 shall be signed and filed on or before June 30. The  
7 county board in a county with a population of more than one hundred  
8 thousand inhabitants based upon the most recent federal decennial  
9 census may adopt a resolution to extend the deadline for hearing  
10 protests from July 25 to August 10. The resolution must be adopted  
11 before July 25 and it will affect the time for hearing protests for  
12 that year only. By adopting such resolution, such county waives any  
13 right to petition the Tax Equalization and Review Commission for  
14 adjustment of a class or subclass of real property under section  
15 77-1504.01 for that year.

16 (2) Each protest shall be signed and filed with the  
17 county clerk of the county where the property is assessed. The  
18 protest shall contain or have attached a statement of the reason or  
19 reasons why the requested change should be made and a description of  
20 the property to which the protest applies. If the property is real  
21 property, a description adequate to identify each parcel shall be  
22 provided. If the property is tangible personal property, a physical  
23 description of the property under protest shall be provided. If the  
24 protest does not contain or have attached the statement of the reason  
25 or reasons for the protest or the applicable description of the

1 property, the protest shall be dismissed by the county board of  
2 equalization.

3 (3) For a protest regarding real property, each protester  
4 shall be afforded the opportunity to meet in person with the county  
5 board of equalization or a referee appointed under section 77-1502.01  
6 to provide information relevant to the protested property value.

7 ~~(3)-(4)~~ No hearing of the county board of equalization on  
8 a protest filed under this section shall be held before a single  
9 commissioner or supervisor.

10 ~~(4)-(5)~~ The county clerk or county assessor shall prepare  
11 a separate report on each protest. The report shall include (a) a  
12 description adequate to identify the real property or a physical  
13 description of the tangible personal property to which the protest  
14 applies, (b) any recommendation of the county assessor for action on  
15 the protest, (c) if a referee is used, the recommendation of the  
16 referee, (d) the date the county board of equalization heard the  
17 protest, (e) the decision made by the county board of equalization,  
18 (f) the date of the decision, and (g) the date notice of the decision  
19 was mailed to the protester. The report shall contain, or have  
20 attached to it, a statement, signed by the chairperson of the county  
21 board of equalization, describing the basis upon which the board's  
22 decision was made. The report shall have attached to it a copy of  
23 that portion of the property record file which substantiates  
24 calculation of the protested value unless the county assessor  
25 certifies to the county board of equalization that a copy is

1 maintained in either electronic or paper form in his or her office.  
2 One copy of the report, if prepared by the county clerk, shall be  
3 given to the county assessor on or before August 2. The county  
4 assessor shall have no authority to make a change in the assessment  
5 rolls until there is in his or her possession a report which has been  
6 completed in the manner specified in this section. If the county  
7 assessor deems a report submitted by the county clerk incomplete, the  
8 county assessor shall return the same to the county clerk for proper  
9 preparation.

10 ~~(5)~~(6) On or before August 2, or on or before August 18  
11 in a county that has adopted a resolution to extend the deadline for  
12 hearing protests, the county clerk shall mail to the protester  
13 written notice of the board's decision. The notice shall contain a  
14 statement advising the protester that a report of the board's  
15 decision is available at the county clerk's or county assessor's  
16 office, whichever is appropriate, and that a copy of the report may  
17 be used to complete an appeal to the Tax Equalization and Review  
18 Commission.

19 Sec. 11. Section 77-1507, Revised Statutes Cumulative  
20 Supplement, 2010, is amended to read:

21 77-1507 (1) The county board of equalization may meet at  
22 any time for the purpose of assessing any omitted real property that  
23 was not reported to the county assessor pursuant to section  
24 77-1318.01 and for correction of clerical errors as defined in  
25 section 77-128 that result in a change of assessed value. The county

1 board of equalization shall give notice of the assessed value of the  
2 real property to the record owner or agent at his or her last-known  
3 address. For real property which has been omitted in the current  
4 year, the county board of equalization shall not send notice pursuant  
5 to this section on or before June 1.

6           Protests of the assessed value proposed for omitted real  
7 property pursuant to this section or a correction for clerical errors  
8 shall be filed with the county board of equalization within thirty  
9 days after the mailing of the notice. All provisions of section  
10 77-1502 except dates for filing a protest, the period for hearing  
11 protests, and the date for mailing notice of the county board of  
12 equalization's decision are applicable to any protest filed pursuant  
13 to this section.

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

16           (a) For protested action, a notification to the protester  
17 of the board's final action advising the protester that a report of  
18 the board's final decision is available at the county clerk's or  
19 county assessor's office, whichever is appropriate, and that a copy  
20 of the report may be used to complete an appeal to the Tax  
21 Equalization and Review Commission; and

22           (b) For protested and nonprotested action, a report to  
23 the Property Tax Administrator which shall state a description  
24 adequate to identify the property, the reason such property was not  
25 assessed pursuant to section 77-1301, and a statement of the board's

1 justification for its action. A copy of the report shall be available  
2 for public inspection in the office of the county clerk.

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

7 (4) Improvements to real property which were properly  
8 reported to the county assessor pursuant to section 77-1318.01 for  
9 the current year and were not added to the assessment roll by the  
10 county assessor on or before March ~~19-31~~ shall only be added to the  
11 assessment roll by the county board of equalization from June 1  
12 through July 25. In counties that have adopted a resolution to extend  
13 the deadline for hearing protests under section 77-1502, the deadline  
14 of July 25 shall be extended to August 10.

15 Sec. 12. Section 77-1514, Reissue Revised Statutes of  
16 Nebraska, is amended to read:

17 77-1514 The county assessor shall prepare abstracts of  
18 the property assessment rolls of locally assessed property of his or  
19 her county on forms prescribed and furnished by the Tax Commissioner.  
20 The county assessor shall file the real property abstract with the  
21 Property Tax Administrator on or before March ~~19-31~~ and the personal  
22 property abstract on or before June 15. The abstracts shall show the  
23 taxable value of real or personal property in the county as  
24 determined by the county assessor and any other information as  
25 required by the Property Tax Administrator. The Property Tax

1 Administrator, upon written request from the county assessor by March  
2 28, may for good cause shown extend the final filing due date for the  
3 real property abstract and the statutory deadlines provided in  
4 section 77-5027. The Property Tax Administrator may extend the  
5 statutory deadline in section 77-5028 for a county if the deadline is  
6 extended for that county.

7 Sec. 13. Section 77-5027, Reissue Revised Statutes of  
8 Nebraska, is amended to read:

9 77-5027 (1) The commission shall, pursuant to section  
10 77-5026, raise or lower the valuation of any class or subclass of  
11 real property in a county when it is necessary to achieve  
12 equalization.

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

18 (3) The annual reports and opinions of the Property Tax  
19 Administrator shall contain statistical and narrative reports  
20 informing the commission of the level of value and the quality of  
21 assessment of the classes and subclasses of real property within the  
22 county and a certification of the opinion of the Property Tax  
23 Administrator regarding the level of value and quality of assessment  
24 of the classes and subclasses of real property in the county.

25 (4) In addition to an opinion of level of value and

1 quality of assessment in the county, the Property Tax Administrator  
2 may make nonbinding recommendations for consideration by the  
3 commission.

4 (5) The Property Tax Administrator shall employ the  
5 methods specified in section 77-112, the comprehensive assessment  
6 ratio study specified in section 77-1327, other statistical studies,  
7 and an analysis of the assessment practices employed by the county  
8 assessor. If necessary to determine the level of value and quality of  
9 assessment in a county, the Property Tax Administrator may use sales  
10 of comparable real property in market areas similar to the county or  
11 area in question or from another county as indicators of the level of  
12 value and the quality of assessment in a county. The Property Tax  
13 Administrator may use any other relevant information in providing the  
14 annual reports and opinions to the commission.

15 Sec. 14. This act becomes operative on January 1, 2012.

16 Sec. 15. Original sections 77-123, 77-1301, 77-1303,  
17 77-1311, 77-1311.03, 77-1315, 77-1315.01, 77-1317, 77-1318, 77-1514,  
18 and 77-5027, Reissue Revised Statutes of Nebraska, and sections  
19 77-1502 and 77-1507, Revised Statutes Cumulative Supplement, 2010,  
20 are repealed.