

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1104**

Introduced by Friesen, 34.

Read first time January 18, 2018

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section  
2 77-1344, Reissue Revised Statutes of Nebraska, and section 77-1347,  
3 Revised Statutes Cumulative Supplement, 2016; to change provisions  
4 relating to the special valuation of agricultural or horticultural  
5 land; to provide an operative date; and to repeal the original  
6 sections.

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

1 Section 1. Section 77-1344, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 77-1344 (1) Agricultural or horticultural land which has an actual  
4 value as defined in section 77-112 reflecting purposes or uses other than  
5 agricultural or horticultural purposes or uses shall be assessed as  
6 provided in subsection (3) of section 77-201 if the land meets the  
7 qualifications of this subsection and an application for such special  
8 valuation is filed and approved pursuant to section 77-1345. In order for  
9 the land to qualify for special valuation, all of the following criteria  
10 shall be met: (a) The land must be ~~is~~ located outside the corporate  
11 boundaries of any sanitary and improvement district, city, or village  
12 except as provided in subsection (2) of this section; ~~and~~ (b) the land  
13 must be ~~is~~ agricultural or horticultural land; and (c) for land that is  
14 located in a county with a population of one hundred thousand inhabitants  
15 or more and that consists of no more than five contiguous acres, the  
16 owner or lessee of the land must prove that (i) he or she derived at  
17 least fifteen percent of his or her gross income from agricultural or  
18 horticultural activities in the immediately preceding year or (ii) the  
19 land produced at least one thousand dollars of gross revenue from  
20 agricultural or horticultural activities in the immediately preceding  
21 year.

22 (2) Special valuation may be applicable to agricultural or  
23 horticultural land included within the corporate boundaries of a city or  
24 village if the land is subject to a conservation or preservation easement  
25 as provided in the Conservation and Preservation Easements Act and the  
26 governing body of the city or village approves the agreement creating the  
27 easement.

28 (3) The eligibility of land for the special valuation provisions of  
29 this section shall be determined each year as of January 1. If the land  
30 so qualified becomes disqualified on or before December 31 of that year,  
31 it shall continue to receive the special valuation until January 1 of the

1 year following.

2 (4) The special valuation placed on such land by the county assessor  
3 under this section shall be subject to equalization by the county board  
4 of equalization and the Tax Equalization and Review Commission.

5 Sec. 2. Section 77-1347, Revised Statutes Cumulative Supplement,  
6 2016, is amended to read:

7 77-1347 Upon approval of an application, the county assessor shall  
8 value the land as provided in section 77-1344 until the land becomes  
9 disqualified for such valuation by:

10 (1) Written notification by the applicant or his or her successor in  
11 interest to the county assessor to remove such special valuation;

12 (2) Except as provided in subsection (2) of section 77-1344,  
13 inclusion of the land within the corporate boundaries of any sanitary and  
14 improvement district, city, or village; ~~or~~

15 (3) The land no longer qualifying as agricultural or horticultural  
16 land; ~~or~~ -

17 (4) For land that is located in a county with a population of one  
18 hundred thousand inhabitants or more and that consists of no more than  
19 five contiguous acres, the owner or lessee of the land no longer being  
20 able to prove that (a) he or she derived at least fifteen percent of his  
21 or her gross income from agricultural or horticultural activities in the  
22 immediately preceding year or (b) the land produced at least one thousand  
23 dollars of gross revenue from agricultural or horticultural activities in  
24 the immediately preceding year.

25 Sec. 3. This act becomes operative on January 1, 2019.

26 Sec. 4. Original section 77-1344, Reissue Revised Statutes of  
27 Nebraska, and section 77-1347, Revised Statutes Cumulative Supplement,  
28 2016, are repealed.