

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 611**

Introduced by Hilgers, 21.

Read first time January 20, 2021

Committee: Revenue

- 1 A BILL FOR AN ACT relating to property taxes; to amend section 77-201,
- 2 Reissue Revised Statutes of Nebraska; to correct a reference to a
- 3 defined term; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-201, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 77-201 (1) Except as provided in subsections (2) through (4) of this  
4 section, all real property in this state, not expressly exempt therefrom,  
5 shall be subject to taxation and shall be valued at its actual value.

6 (2) Agricultural land and horticultural land as defined in section  
7 77-1359 shall constitute a separate and distinct class of property for  
8 purposes of property taxation, shall be subject to taxation, unless  
9 expressly exempt from taxation, and shall be valued at seventy-five  
10 percent of its actual value.

11 (3) Agricultural land and horticultural land actively devoted to  
12 agricultural or horticultural purposes which has value for purposes other  
13 than agricultural or horticultural uses and which meets the  
14 qualifications for special valuation under section 77-1344 shall  
15 constitute a separate and distinct class of property for purposes of  
16 property taxation, shall be subject to taxation, and shall be valued for  
17 taxation at seventy-five percent of its special valuation value as  
18 defined in section 77-1343.

19 (4) Historically significant real property which meets the  
20 qualifications for historic rehabilitation valuation under sections  
21 77-1385 to 77-1394 shall be valued for taxation as provided in such  
22 sections.

23 (5) Tangible personal property, not including motor vehicles,  
24 trailers, and semitrailers registered for operation on the highways of  
25 this state, shall constitute a separate and distinct class of property  
26 for purposes of property taxation, shall be subject to taxation, unless  
27 expressly exempt from taxation, and shall be valued at its net book  
28 value. Tangible personal property transferred as a gift or devise or as  
29 part of a transaction which is not a purchase shall be subject to  
30 taxation based upon the date the property was acquired by the previous  
31 owner and at the previous owner's Nebraska adjusted basis. Tangible

1 personal property acquired as replacement property for converted property  
2 shall be subject to taxation based upon the date the converted property  
3 was acquired and at the Nebraska adjusted basis of the converted property  
4 unless insurance proceeds are payable by reason of the conversion. For  
5 purposes of this subsection, (a) converted property means tangible  
6 personal property which is compulsorily or involuntarily converted as a  
7 result of its destruction in whole or in part, theft, seizure,  
8 requisition, or condemnation, or the threat or imminence thereof, and no  
9 gain or loss is recognized for federal or state income tax purposes by  
10 the holder of the property as a result of the conversion and (b)  
11 replacement property means tangible personal property acquired within two  
12 years after the close of the calendar year in which tangible personal  
13 property was converted and which is, except for date of construction or  
14 manufacture, substantially the same as the converted property.

15       Sec. 2. Original section 77-201, Reissue Revised Statutes of  
16 Nebraska, is repealed.