

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 79

Introduced by Briese, 41.

Read first time January 07, 2021

Committee: Revenue

- 1 A BILL FOR AN ACT relating to property taxes; to amend section 77-4212,
- 2 Revised Statutes Cumulative Supplement, 2020; to change provisions
- 3 relating to the minimum amount of relief granted under the Property
- 4 Tax Credit Act; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-4212, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 77-4212 (1) For tax year 2007, the amount of relief granted under
4 the Property Tax Credit Act shall be one hundred five million dollars.
5 For tax year 2008, the amount of relief granted under the act shall be
6 one hundred fifteen million dollars. It is the intent of the Legislature
7 to fund the Property Tax Credit Act for tax years after tax year 2008
8 using available revenue. For tax year 2017, the amount of relief granted
9 under the act shall be two hundred twenty-four million dollars. For tax
10 ~~years year 2020 through 2023 and each tax year thereafter~~, the minimum
11 amount of relief granted under the act shall be two hundred seventy-five
12 million dollars. For tax year 2024 and each tax year thereafter, the
13 minimum amount of relief granted under the act shall be the minimum
14 amount from the prior tax year increased by the allowable growth
15 percentage as defined in section 77-6702. If money is transferred or
16 credited to the Property Tax Credit Cash Fund pursuant to any other state
17 law, such amount shall be added to the minimum amount required under this
18 subsection when determining the total amount of relief granted under the
19 act. The relief shall be in the form of a property tax credit which
20 appears on the property tax statement.

21 (2)(a) For tax years prior to tax year 2017, to determine the amount
22 of the property tax credit, the county treasurer shall multiply the
23 amount disbursed to the county under subdivision (4)(a) of this section
24 by the ratio of the real property valuation of the parcel to the total
25 real property valuation in the county. The amount determined shall be the
26 property tax credit for the property.

27 (b) Beginning with tax year 2017, to determine the amount of the
28 property tax credit, the county treasurer shall multiply the amount
29 disbursed to the county under subdivision (4)(b) of this section by the
30 ratio of the credit allocation valuation of the parcel to the total
31 credit allocation valuation in the county. The amount determined shall be

1 the property tax credit for the property.

2 (3) If the real property owner qualifies for a homestead exemption
3 under sections 77-3501 to 77-3529, the owner shall also be qualified for
4 the relief provided in the act to the extent of any remaining liability
5 after calculation of the relief provided by the homestead exemption. If
6 the credit results in a property tax liability on the homestead that is
7 less than zero, the amount of the credit which cannot be used by the
8 taxpayer shall be returned to the State Treasurer by July 1 of the year
9 the amount disbursed to the county was disbursed. The State Treasurer
10 shall immediately credit any funds returned under this subsection to the
11 Property Tax Credit Cash Fund. Upon the return of any funds under this
12 subsection, the county treasurer shall electronically file a report with
13 the Property Tax Administrator, on a form prescribed by the Tax
14 Commissioner, indicating the amount of funds distributed to each taxing
15 unit in the county in the year the funds were returned, any collection
16 fee retained by the county in such year, and the amount of unused credits
17 returned.

18 (4)(a) For tax years prior to tax year 2017, the amount disbursed to
19 each county shall be equal to the amount available for disbursement
20 determined under subsection (1) of this section multiplied by the ratio
21 of the real property valuation in the county to the real property
22 valuation in the state. By September 15, the Property Tax Administrator
23 shall determine the amount to be disbursed under this subdivision to each
24 county and certify such amounts to the State Treasurer and to each
25 county. The disbursements to the counties shall occur in two equal
26 payments, the first on or before January 31 and the second on or before
27 April 1. After retaining one percent of the receipts for costs, the
28 county treasurer shall allocate the remaining receipts to each taxing
29 unit levying taxes on taxable property in the tax district in which the
30 real property is located in the same proportion that the levy of such
31 taxing unit bears to the total levy on taxable property of all the taxing

1 units in the tax district in which the real property is located.

2 (b) Beginning with tax year 2017, the amount disbursed to each
3 county shall be equal to the amount available for disbursement determined
4 under subsection (1) of this section multiplied by the ratio of the
5 credit allocation valuation in the county to the credit allocation
6 valuation in the state. By September 15, the Property Tax Administrator
7 shall determine the amount to be disbursed under this subdivision to each
8 county and certify such amounts to the State Treasurer and to each
9 county. The disbursements to the counties shall occur in two equal
10 payments, the first on or before January 31 and the second on or before
11 April 1. After retaining one percent of the receipts for costs, the
12 county treasurer shall allocate the remaining receipts to each taxing
13 unit based on its share of the credits granted to all taxpayers in the
14 taxing unit.

15 (5) For purposes of this section, credit allocation valuation means
16 the taxable value for all real property except agricultural land and
17 horticultural land, one hundred twenty percent of taxable value for
18 agricultural land and horticultural land that is not subject to special
19 valuation, and one hundred twenty percent of taxable value for
20 agricultural land and horticultural land that is subject to special
21 valuation.

22 (6) The State Treasurer shall transfer from the General Fund to the
23 Property Tax Credit Cash Fund one hundred five million dollars by August
24 1, 2007, and one hundred fifteen million dollars by August 1, 2008.

25 (7) The Legislature shall have the power to transfer funds from the
26 Property Tax Credit Cash Fund to the General Fund.

27 Sec. 2. Original section 77-4212, Revised Statutes Cumulative
28 Supplement, 2020, is repealed.