

AMENDMENTS TO LB34

Introduced by Revenue.

1 1. Strike the original sections and insert the following new
2 sections:

3 Sec. 9. Sections 9 to 12 of this act shall be known and may be
4 cited as the School District Property Tax Relief Act.

5 Sec. 10. The purpose of the School District Property Tax Relief Act
6 is to provide property tax relief for property taxes levied against real
7 property by school districts. The property tax relief will be made to
8 owners of real property in the form of a property tax credit.

9 Sec. 11. For purposes of the School District Property Tax Relief
10 Act:

11 (1) School district has the same meaning as in section 79-101; and

12 (2) School district taxes means property taxes levied on real
13 property in this state by a school district or multiple-district school
14 system, excluding any property taxes levied for bonded indebtedness and
15 any property taxes levied as a result of an override of limits on
16 property tax levies approved by voters pursuant to section 77-3444.

17 Sec. 12. (1) The School District Property Tax Relief Act shall
18 apply to tax year 2024. For tax year 2024, the total amount of relief
19 granted under the act shall be two billion thirty-two million seven
20 hundred ninety-six thousand three hundred ninety dollars. The relief
21 shall be in the form of property tax credits which appear on property tax
22 statements. Property tax credits granted under the act shall be credited
23 against the amount of property taxes owed to school districts.

24 (2) To determine the amount of the property tax credit for each
25 parcel, the county treasurer shall multiply the amount disbursed to the
26 county under subsection (4) of this section by the ratio of the school
27 district taxes levied in the prior year on the parcel to the school

1 district taxes levied in the prior year on all real property in the
2 county. The amount so determined shall be the property tax credit for
3 that parcel.

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

20 (4) The amount disbursed to each county under this section shall be
21 equal to the amount available for disbursement under subsection (1) of
22 this section multiplied by the ratio of the school district taxes levied
23 in the prior year on all real property in the county to the school
24 district taxes levied in the prior year on all real property in the
25 state. By September 15, 2024, the Property Tax Administrator shall
26 determine the amount to be disbursed under this subsection to each county
27 and shall certify such amounts to the State Treasurer and to each county.
28 The disbursements to the counties shall occur in two equal payments, the
29 first on or before January 31 and the second on or before April 1.

30 (5) The county treasurer shall disburse amounts received under
31 subsection (4) of this section, which are credited against the amount of

1 property taxes owed to school districts, in the same manner as if such
2 funds had been received in the form of property tax payments for property
3 taxes owed to school districts, meaning any amounts attributable to
4 divided taxes pursuant to section 18-2147 of the Community Development
5 Law shall be remitted to the applicable authority for which such taxes
6 were divided.

7 (6) The Education Future Fund shall be used for purposes of making
8 the disbursements to counties required under subsection (4) of this
9 section.

10 Sec. 56. Section 77-3442, Revised Statutes Supplement, 2023, is
11 amended to read:

12 77-3442 (1) Property tax levies for the support of local governments
13 for fiscal years beginning on or after July 1, 1998, shall be limited to
14 the amounts set forth in this section except as provided in section
15 77-3444.

16 (2)(a)(i) ~~(2)(a)~~ Except as provided in subdivisions (2)(a)(ii), (2)
17 (a)(iii), (2)(b), and (2)(e) of this section, school districts and
18 multiple-district school systems may levy a maximum levy of:

19 (A) Through fiscal year 2024-25, one dollar and five cents per one
20 hundred dollars of taxable valuation of property subject to the levy; -

21 (B) For fiscal year 2025-26, forty cents per one hundred dollars of
22 taxable valuation of property subject to the levy;

23 (C) For fiscal year 2026-27, thirty-five cents per one hundred
24 dollars of taxable valuation of property subject to the levy; and

25 (D) For fiscal year 2027-28 and each fiscal year thereafter, thirty
26 cents per one hundred dollars of taxable valuation of property subject to
27 the levy.

28 (ii) For fiscal year 2025-26 and each fiscal year thereafter, if (A)
29 the amount equal to the sum of (I) the total state aid calculated
30 pursuant to the Tax Equity and Educational Opportunities Support Act for
31 the current school fiscal year plus (II) the product of the maximum levy

1 pursuant to subdivision (2)(a)(i) of this section multiplied by the
2 assessed valuation for the current year is less than (B) the amount equal
3 to the sum, as increased by the base growth percentage as determined
4 pursuant to section 79-3402, of (I) the total state aid calculated
5 pursuant to the Tax Equity and Educational Opportunities Support Act for
6 the prior school fiscal year plus (II) the product of the actual general
7 fund levy of the school district or multiple-district school system for
8 the prior year multiplied by the assessed valuation for such prior year,
9 such school district or multiple-district school system may levy a
10 maximum levy as calculated pursuant to subdivision (2)(a)(iii) of this
11 section.

12 (iii) The maximum levy authorized pursuant to subdivision (2)(a)(ii)
13 of this section shall be the levy rate that when applied to the assessed
14 valuation for the current year equals the difference of (A) the total
15 state aid calculated pursuant to the Tax Equity and Educational
16 Opportunities Support Act for the current school fiscal year subtracted
17 from (B) the sum, as increased by the base growth percentage as
18 determined pursuant to section 79-3402, of (I) the total state aid
19 calculated pursuant to the Tax Equity and Educational Opportunities
20 Support Act for the prior school fiscal year plus (II) the product of the
21 actual general fund levy of the school district or multiple-district
22 school system for the prior year multiplied by the assessed valuation for
23 such prior year.

24 (b) For each fiscal year prior to fiscal year 2017-18, learning
25 communities may levy a maximum levy for the general fund budgets of
26 member school districts of ninety-five cents per one hundred dollars of
27 taxable valuation of property subject to the levy. The proceeds from the
28 levy pursuant to this subdivision shall be distributed pursuant to
29 section 79-1073.

30 (c) Except as provided in subdivision (2)(e) of this section, for
31 each fiscal year prior to fiscal year 2017-18, school districts that are

1 members of learning communities may levy for purposes of such districts'
2 general fund budget and special building funds a maximum combined levy of
3 the difference of one dollar and five cents on each one hundred dollars
4 of taxable property subject to the levy minus the learning community levy
5 pursuant to subdivision (2)(b) of this section for such learning
6 community.

7 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)
8 of this section are (i) amounts levied to pay for current and future sums
9 agreed to be paid by a school district to certificated employees in
10 exchange for a voluntary termination of employment occurring prior to
11 September 1, 2017, (ii) amounts levied by a school district otherwise at
12 the maximum levy pursuant to subdivision (2)(a) of this section to pay
13 for current and future qualified voluntary termination incentives for
14 certificated teachers pursuant to subsection (3) of section 79-8,142 that
15 are not otherwise included in an exclusion pursuant to subdivision (2)(d)
16 of this section, (iii) amounts levied by a school district otherwise at
17 the maximum levy pursuant to subdivision (2)(a) of this section to pay
18 for seventy-five percent of the current and future sums agreed to be paid
19 to certificated employees in exchange for a voluntary termination of
20 employment occurring between September 1, 2017, and August 31, 2018, as a
21 result of a collective-bargaining agreement in force and effect on
22 September 1, 2017, that are not otherwise included in an exclusion
23 pursuant to subdivision (2)(d) of this section, (iv) amounts levied by a
24 school district otherwise at the maximum levy pursuant to subdivision (2)
25 (a) of this section to pay for fifty percent of the current and future
26 sums agreed to be paid to certificated employees in exchange for a
27 voluntary termination of employment occurring between September 1, 2018,
28 and August 31, 2019, as a result of a collective-bargaining agreement in
29 force and effect on September 1, 2017, that are not otherwise included in
30 an exclusion pursuant to subdivision (2)(d) of this section, (v) amounts
31 levied by a school district otherwise at the maximum levy pursuant to

1 subdivision (2)(a) of this section to pay for twenty-five percent of the
2 current and future sums agreed to be paid to certificated employees in
3 exchange for a voluntary termination of employment occurring between
4 September 1, 2019, and August 31, 2020, as a result of a collective-
5 bargaining agreement in force and effect on September 1, 2017, that are
6 not otherwise included in an exclusion pursuant to subdivision (2)(d) of
7 this section, (vi) amounts levied in compliance with sections 79-10,110
8 and 79-10,110.02, ~~and~~ (vii) amounts levied to pay for special building
9 funds and sinking funds established for projects commenced prior to April
10 1, 1996, for construction, expansion, or alteration of school district
11 buildings. For purposes of this subsection, commenced means any action
12 taken by the school board on the record which commits the board to expend
13 district funds in planning, constructing, or carrying out the project,
14 and (viii) for fiscal year 2025-26 and each fiscal year thereafter,
15 amounts levied pursuant to section 79-10,120.

16 (e) Federal aid school districts may exceed the maximum levy
17 prescribed by subdivision (2)(a) or (2)(c) of this section only to the
18 extent necessary to qualify to receive federal aid pursuant to Title VIII
19 of Public Law 103-382, as such title existed on September 1, 2001. For
20 purposes of this subdivision, federal aid school district means any
21 school district which receives ten percent or more of the revenue for its
22 general fund budget from federal government sources pursuant to Title
23 VIII of Public Law 103-382, as such title existed on September 1, 2001.

24 (f) For each fiscal year, learning communities may levy a maximum
25 levy of one-half cent on each one hundred dollars of taxable property
26 subject to the levy for elementary learning center facility leases, for
27 remodeling of leased elementary learning center facilities, and for up to
28 fifty percent of the estimated cost for focus school or program capital
29 projects approved by the learning community coordinating council pursuant
30 to section 79-2111.

31 (g) For each fiscal year, learning communities may levy a maximum

1 levy of one and one-half cents on each one hundred dollars of taxable
2 property subject to the levy for early childhood education programs for
3 children in poverty, for elementary learning center employees, for
4 contracts with other entities or individuals who are not employees of the
5 learning community for elementary learning center programs and services,
6 and for pilot projects, except that no more than ten percent of such levy
7 may be used for elementary learning center employees.

8 (3) For each fiscal year through fiscal year 2023-24, community
9 college areas may levy the levies provided in subdivisions (2)(a) through
10 (c) of section 85-1517, in accordance with the provisions of such
11 subdivisions. For fiscal year 2024-25 and each fiscal year thereafter,
12 community college areas may levy the levies provided in subdivisions (2)
13 (a) and (b) of section 85-1517, in accordance with the provisions of such
14 subdivisions. A community college area may exceed the levy provided in
15 subdivision (2)(a) of section 85-1517 by the amount necessary to generate
16 sufficient revenue as described in section 85-1543 or 85-2238. A
17 community college area may exceed the levy provided in subdivision (2)(b)
18 of section 85-1517 by the amount necessary to retire general obligation
19 bonds assumed by the community college area or issued pursuant to section
20 85-1515 according to the terms of such bonds or for any obligation
21 pursuant to section 85-1535 entered into prior to January 1, 1997.

22 (4)(a) Natural resources districts may levy a maximum levy of four
23 and one-half cents per one hundred dollars of taxable valuation of
24 property subject to the levy.

25 (b) Natural resources districts shall also have the power and
26 authority to levy a tax equal to the dollar amount by which their
27 restricted funds budgeted to administer and implement ground water
28 management activities and integrated management activities under the
29 Nebraska Ground Water Management and Protection Act exceed their
30 restricted funds budgeted to administer and implement ground water
31 management activities and integrated management activities for FY2003-04,

1 not to exceed one cent on each one hundred dollars of taxable valuation
2 annually on all of the taxable property within the district.

3 (c) In addition, natural resources districts located in a river
4 basin, subbasin, or reach that has been determined to be fully
5 appropriated pursuant to section 46-714 or designated as overappropriated
6 pursuant to section 46-713 by the Department of Natural Resources shall
7 also have the power and authority to levy a tax equal to the dollar
8 amount by which their restricted funds budgeted to administer and
9 implement ground water management activities and integrated management
10 activities under the Nebraska Ground Water Management and Protection Act
11 exceed their restricted funds budgeted to administer and implement ground
12 water management activities and integrated management activities for
13 FY2005-06, not to exceed three cents on each one hundred dollars of
14 taxable valuation on all of the taxable property within the district for
15 fiscal year 2006-07 and each fiscal year thereafter through fiscal year
16 2017-18.

17 (5) Any educational service unit authorized to levy a property tax
18 pursuant to section 79-1225 may levy a maximum levy of one and one-half
19 cents per one hundred dollars of taxable valuation of property subject to
20 the levy.

21 (6)(a) Incorporated cities and villages which are not within the
22 boundaries of a municipal county may levy a maximum levy of forty-five
23 cents per one hundred dollars of taxable valuation of property subject to
24 the levy plus an additional five cents per one hundred dollars of taxable
25 valuation to provide financing for the municipality's share of revenue
26 required under an agreement or agreements executed pursuant to the
27 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum
28 levy shall include amounts levied to pay for sums to support a library
29 pursuant to section 51-201, museum pursuant to section 51-501, visiting
30 community nurse, home health nurse, or home health agency pursuant to
31 section 71-1637, or statue, memorial, or monument pursuant to section

1 80-202.

2 (b) Incorporated cities and villages which are within the boundaries
3 of a municipal county may levy a maximum levy of ninety cents per one
4 hundred dollars of taxable valuation of property subject to the levy. The
5 maximum levy shall include amounts paid to a municipal county for county
6 services, amounts levied to pay for sums to support a library pursuant to
7 section 51-201, a museum pursuant to section 51-501, a visiting community
8 nurse, home health nurse, or home health agency pursuant to section
9 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

10 (7) Sanitary and improvement districts which have been in existence
11 for more than five years may levy a maximum levy of forty cents per one
12 hundred dollars of taxable valuation of property subject to the levy, and
13 sanitary and improvement districts which have been in existence for five
14 years or less shall not have a maximum levy. Unconsolidated sanitary and
15 improvement districts which have been in existence for more than five
16 years and are located in a municipal county may levy a maximum of eighty-
17 five cents per hundred dollars of taxable valuation of property subject
18 to the levy.

19 (8) Counties may levy or authorize a maximum levy of fifty cents per
20 one hundred dollars of taxable valuation of property subject to the levy,
21 except that five cents per one hundred dollars of taxable valuation of
22 property subject to the levy may only be levied to provide financing for
23 the county's share of revenue required under an agreement or agreements
24 executed pursuant to the Interlocal Cooperation Act or the Joint Public
25 Agency Act. The maximum levy shall include amounts levied to pay for sums
26 to support a library pursuant to section 51-201 or museum pursuant to
27 section 51-501. The county may allocate up to fifteen cents of its
28 authority to other political subdivisions subject to allocation of
29 property tax authority under subsection (1) of section 77-3443 and not
30 specifically covered in this section to levy taxes as authorized by law
31 which do not collectively exceed fifteen cents per one hundred dollars of

1 taxable valuation on any parcel or item of taxable property. The county
2 may allocate to one or more other political subdivisions subject to
3 allocation of property tax authority by the county under subsection (1)
4 of section 77-3443 some or all of the county's five cents per one hundred
5 dollars of valuation authorized for support of an agreement or agreements
6 to be levied by the political subdivision for the purpose of supporting
7 that political subdivision's share of revenue required under an agreement
8 or agreements executed pursuant to the Interlocal Cooperation Act or the
9 Joint Public Agency Act. If an allocation by a county would cause another
10 county to exceed its levy authority under this section, the second county
11 may exceed the levy authority in order to levy the amount allocated.

12 (9) Municipal counties may levy or authorize a maximum levy of one
13 dollar per one hundred dollars of taxable valuation of property subject
14 to the levy. The municipal county may allocate levy authority to any
15 political subdivision or entity subject to allocation under section
16 77-3443.

17 (10) Beginning July 1, 2016, rural and suburban fire protection
18 districts may levy a maximum levy of ten and one-half cents per one
19 hundred dollars of taxable valuation of property subject to the levy if
20 (a) such district is located in a county that had a levy pursuant to
21 subsection (8) of this section in the previous year of at least forty
22 cents per one hundred dollars of taxable valuation of property subject to
23 the levy or (b) such district had a levy request pursuant to section
24 77-3443 in any of the three previous years and the county board of the
25 county in which the greatest portion of the valuation of such district is
26 located did not authorize any levy authority to such district in such
27 year.

28 (11) A regional metropolitan transit authority may levy a maximum
29 levy of ten cents per one hundred dollars of taxable valuation of
30 property subject to the levy for each fiscal year that commences on the
31 January 1 that follows the effective date of the conversion of the

1 transit authority established under the Transit Authority Law into the
2 regional metropolitan transit authority.

3 (12) Property tax levies (a) for judgments, except judgments or
4 orders from the Commission of Industrial Relations, obtained against a
5 political subdivision which require or obligate a political subdivision
6 to pay such judgment, to the extent such judgment is not paid by
7 liability insurance coverage of a political subdivision, (b) for
8 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)
9 for bonds as defined in section 10-134 approved according to law and
10 secured by a levy on property except as provided in section 44-4317 for
11 bonded indebtedness issued by educational service units and school
12 districts, (d) for payments by a public airport to retire interest-free
13 loans from the Division of Aeronautics of the Department of
14 Transportation in lieu of bonded indebtedness at a lower cost to the
15 public airport, and (e) to pay for cancer benefits provided on or after
16 January 1, 2022, pursuant to the Firefighter Cancer Benefits Act are not
17 included in the levy limits established by this section.

18 (13) The limitations on tax levies provided in this section are to
19 include all other general or special levies provided by law.
20 Notwithstanding other provisions of law, the only exceptions to the
21 limits in this section are those provided by or authorized by sections
22 77-3442 to 77-3444.

23 (14) Tax levies in excess of the limitations in this section shall
24 be considered unauthorized levies under section 77-1606 unless approved
25 under section 77-3444.

26 (15) For purposes of sections 77-3442 to 77-3444, political
27 subdivision means a political subdivision of this state and a county
28 agricultural society.

29 (16) For school districts that file a binding resolution on or
30 before May 9, 2008, with the county assessors, county clerks, and county
31 treasurers for all counties in which the school district has territory

1 pursuant to subsection (7) of section 79-458, if the combined levies,
2 except levies for bonded indebtedness approved by the voters of the
3 school district and levies for the refinancing of such bonded
4 indebtedness, are in excess of the greater of (a) one dollar and twenty
5 cents per one hundred dollars of taxable valuation of property subject to
6 the levy or (b) the maximum levy authorized by a vote pursuant to section
7 77-3444, all school district levies, except levies for bonded
8 indebtedness approved by the voters of the school district and levies for
9 the refinancing of such bonded indebtedness, shall be considered
10 unauthorized levies under section 77-1606.