

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 4

Introduced by Sanders, 45.

Read first time January 05, 2023

Committee: Revenue

1 A BILL FOR AN ACT relating to homestead exemptions; to amend sections
2 77-3513 and 77-3522, Reissue Revised Statutes of Nebraska, and
3 sections 77-3506 and 77-3512, Revised Statutes Cumulative
4 Supplement, 2022; to change provisions relating to veterans who
5 qualify for exemption, application requirements, and penalties; to
6 harmonize provisions; to provide an operative date; and to repeal
7 the original sections.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-3506, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 77-3506 (1) All homesteads in this state shall be assessed for
4 taxation the same as other property, except that there shall be exempt
5 from taxation, on any homestead described in subsection (2) of this
6 section, one hundred percent of the exempt amount.

7 (2) The exemption described in subsection (1) of this section shall
8 apply to homesteads of:

9 (a) A veteran who was discharged or otherwise separated with a
10 characterization of honorable or general (under honorable conditions),
11 who is drawing compensation from the United States Department of Veterans
12 Affairs because of one hundred percent service-connected permanent
13 disability, and who is not eligible for total exemption under sections
14 77-3526 to 77-3528;

15 (b) An ~~an~~ unremarried surviving spouse of such a veteran,
16 described in subdivision (2)(a) of this section or a surviving spouse of
17 such a veteran who remarries after attaining the age of fifty-seven
18 years;

19 (c) A veteran who was discharged or otherwise separated with a
20 characterization of honorable or general (under honorable conditions),
21 who is drawing compensation from the United States Department of Veterans
22 Affairs because of one hundred percent service-connected temporary
23 disability, and who is not eligible for total exemption under sections
24 77-3526 to 77-3528, an unremarried spouse of such a veteran, or a
25 surviving spouse of such a veteran who remarries after attaining the age
26 of fifty-seven years;

27 (d) ~~(b)~~ An unremarried surviving spouse of any veteran, including a
28 veteran other than a veteran described in section 80-401.01, who was
29 discharged or otherwise separated with a characterization of honorable or
30 general (under honorable conditions) and who died because of a service-
31 connected disability or a surviving spouse of such a veteran who

1 remarries after attaining the age of fifty-seven years;

2 (e) ~~(e)~~ An unremarried surviving spouse of a serviceman or
3 servicewoman, including a veteran other than a veteran described in
4 section 80-401.01, whose death while on active duty was service-connected
5 or a surviving spouse of such a serviceman or servicewoman who remarries
6 after attaining the age of fifty-seven years; and

7 (f) ~~(d)~~ An unremarried surviving spouse of a serviceman or
8 servicewoman who died while on active duty during the periods described
9 in section 80-401.01 or a surviving spouse of such a serviceman or
10 servicewoman who remarries after attaining the age of fifty-seven years.

11 (3) Application for exemption under subdivision (2)(a) of this
12 section shall be required once every five years and shall include
13 certification of the status described in subdivision (2)(a) set forth in
14 subsection (2) of this section from the United States Department of
15 Veterans Affairs. Application for exemption under subdivision (2)(b),
16 (c), (d), (e), or (f) of this section shall be required annually and
17 shall include certification of the status described in subdivision (2)
18 (b), (c), (d), (e), or (f) of this section from the United States
19 Department of Veterans Affairs, except that such certification of status
20 shall only be required once every five years. Such certification shall
21 not be required in succeeding years if no change in status has occurred,
22 except that the county assessor or the Tax Commissioner may request such
23 certification to verify that no change in status has occurred.

24 Sec. 2. Section 77-3512, Revised Statutes Cumulative Supplement,
25 2022, is amended to read:

26 77-3512 (1) It shall be the duty of each owner who wants a
27 homestead exemption under section 77-3506, 77-3507, or 77-3508 to file an
28 application therefor with the county assessor of the county in which the
29 homestead is located after February 1 and on or before June 30 of each
30 year. ~~Failure to do so shall constitute a waiver of the exemption for~~
31 ~~that year, except that:~~

1 (a) ~~(1)~~ The county board of the county in which the homestead is
2 located may, by majority vote, extend the deadline for an applicant to on
3 or before July 20. An extension shall not be granted to an applicant who
4 received an extension in the immediately preceding year;

5 (b) ~~(2)~~ An owner may file a late application pursuant to section
6 77-3514.01 if he or she includes documentation of a medical condition
7 which impaired the owner's ability to file the application in a timely
8 manner; ~~and~~

9 (c) ~~(3)~~ An owner may file a late application pursuant to section
10 77-3514.01 if he or she includes a copy of the death certificate of a
11 spouse who died during the year for which the exemption is requested; ~~-~~

12 (d) A veteran qualifying for a homestead exemption under subdivision
13 (2)(a) of section 77-3506 shall only be required to file an application
14 once every five years; and

15 (e) If a veteran who has been granted a homestead exemption under
16 subdivision (2)(a) of section 77-3506 dies during the five-year exemption
17 period, the surviving spouse of such veteran shall continue to receive
18 such exemption for the remainder of the five-year exemption period. After
19 the expiration of the five-year exemption period, the surviving spouse
20 shall be required to file for an exemption under subdivision (2)(b) of
21 section 77-3506 on an annual basis.

22 (2) Failure to file an application as required in subsection (1) of
23 this section shall constitute a waiver of the exemption for the year in
24 which the failure occurred.

25 Sec. 3. Section 77-3513, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 77-3513 The county assessor shall mail a notice on or before April 1
28 to claimants who are the owners of a homestead which was granted an
29 exemption under section 77-3506, 77-3507, or 77-3508 and who are required
30 to refile for such exemption in the current preceding year unless the
31 claimant has already filed the application for the current year or the

1 county assessor has reason to believe there has been a change of
2 circumstances so that the claimant no longer qualifies. The notice shall
3 include the claimant's name, the application deadlines for the current
4 year, a list of documents that must be filed with the application, and
5 the county assessor's office address and telephone number.

6 Sec. 4. Section 77-3522, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 77-3522 (1) Any person who makes any false or fraudulent claim for
9 exemption or any false statement or false representation of a material
10 fact in support of such claim or any person who knowingly assists another
11 in the preparation of any such false or fraudulent claim or enters into
12 any collusion with another by the execution of a fictitious deed or other
13 instrument for the purpose of obtaining unlawful exemption under sections
14 77-3501 to 77-3529 shall be guilty of a Class II misdemeanor and shall be
15 subject to a forfeiture of any such exemption for a period of two years
16 from the date of conviction. Any person who shall make an oath or
17 affirmation to any false or fraudulent application for homestead
18 exemption knowing the same to be false or fraudulent shall be guilty of a
19 Class I misdemeanor.

20 (2) In addition to the penalty provided in subsection (1) of this
21 section, if any person (a) files a claim for exemption as provided in
22 section 77-3506, 77-3507, or 77-3508 which is excessive due to
23 misstatements by the owner filing such claim or (b) fails to notify the
24 county assessor of a change in status of a veteran qualifying for a
25 homestead exemption under subdivision (2)(a) of section 77-3506 which
26 affected all or a portion of the exemption period, including a change in
27 rating, the death of the veteran, or a transfer of property not covered
28 by section 77-3514, the claim may be disallowed in full and, if the claim
29 has been allowed, an amount equal to the amount of taxes lawfully due
30 during the applicable exemption period but not paid by reason of such
31 unlawful and improper allowance of homestead exemption shall be due and

1 shall upon entry of the amount thereof on the books of the county
2 treasurer be a lien on such property until paid and a penalty and
3 interest on such total sum as provided by statute on delinquent ad
4 valorem taxes equal to the amount of taxes lawfully due but claimed for
5 exemption shall be assessed. Any amount paid to satisfy a lien imposed
6 pursuant to this subsection shall be paid to the county treasurer in the
7 same manner that other property taxes are paid, and the county treasurer
8 shall remit such amount to the State Treasurer for credit to the General
9 Fund. Any penalty collected pursuant to this subsection shall be retained
10 by the county in which such penalty is assessed.

11 (3) For any veteran claiming a homestead exemption under subdivision
12 (2)(a) of section 77-3506, the county assessor may revoke such exemption
13 back to the date on which the county assessor has reason to believe that
14 the exemption was improper upon notice to the veteran of the revocation.
15 The veteran may then provide evidence in favor of receiving the exemption
16 to the county assessor, and the county assessor may revise any revocation
17 based on such evidence. Any decision of the county assessor to revoke a
18 homestead exemption under this subsection may be appealed to the county
19 board of equalization within thirty days after the decision. The county
20 board of equalization may reverse or modify the revocation if there is
21 clear and convincing evidence that the veteran qualified for the
22 exemption for a particular period of time.

23 (4) Any additional taxes or penalties imposed pursuant to this
24 section may be appealed in the same manner as appeals are made under
25 section 77-3519.

26 Sec. 5. This act becomes operative on January 1, 2024.

27 Sec. 6. Original sections 77-3513 and 77-3522, Reissue Revised
28 Statutes of Nebraska, and sections 77-3506 and 77-3512, Revised Statutes
29 Cumulative Supplement, 2022, are repealed.