

AMENDMENTS TO LB170  
(Amendments to AM1318)

Introduced by Cavanaugh, J., 9.

1           1. Strike section 7 and insert the following new sections:

2           **Sec. 5.** Section 77-3501, Revised Statutes Cumulative Supplement,  
3   2024, is amended to read:

4           77-3501 For purposes of sections 77-3501 to 77-3529 and section 8 of  
5   this act, unless the context otherwise requires, the definitions found in  
6   sections 77-3501.01 to 77-3505.06 shall be used.

7           **Sec. 6.** Section 77-3505.06, Revised Statutes Cumulative Supplement,  
8   2024, is amended to read:

9           77-3505.06 Occupy means to reside on a property with the intention  
10   of maintaining the property as the owner's primary residence. A departure  
11   from the property for reasons of health or legal duty shall not  
12   disqualify the owner of the property from receiving an exemption under  
13   sections 77-3501 to 77-3529 and section 8 of this act, so long as the  
14   owner demonstrates an intention to return to the property.

15          **Sec. 7.** Section 77-3506.03, Revised Statutes Cumulative Supplement,  
16   2024, is amended to read:

17          77-3506.03 (1) Except as provided in subsection (2) of this section,  
18   for homesteads valued at or above the maximum value, the exempt amount  
19   for any exemption under section 77-3507 or 77-3508 shall be reduced by  
20   ten percent for each two thousand five hundred dollars of value by which  
21   the homestead exceeds the maximum value and any homestead which exceeds  
22   the maximum value by twenty thousand dollars or more is not eligible for  
23   any exemption under section 77-3507 or 77-3508.

24          (2)(a) For homesteads valued at or above the maximum value, the  
25   exempt amount shall not be reduced and the homestead shall remain  
26   eligible for an exemption under section 77-3507 or 77-3508 for the

1 current year if the homestead:

2 (i) Received an exemption under section 77-3507 or 77-3508 in the  
3 previous year;

4 (ii) Was valued below the maximum value in such previous year; and

5 (iii) Is not ineligible for an exemption under section 77-3507 or  
6 77-3508 for any reason other than as provided in subsection (1) of this  
7 section.

8 (b) If a homestead remains eligible for an exemption under  
9 subdivision (a) of this subsection for any year, the homestead shall  
10 continue to be eligible for each year thereafter unless the homestead is  
11 not eligible for such exemption for any reason other than as provided in  
12 subsection (1) of this section.

13 (c) The percentage of the exempt amount for a homestead for any year  
14 such homestead is valued at or above the maximum value and remains  
15 eligible for exemption under this subsection shall be equal to the  
16 percentage of the exempt amount for the homestead in the last year the  
17 homestead received an exemption under section 77-3507 or 77-3508 and was  
18 valued below the maximum value.

19 (d) If the homestead's increase in value from the previous year to a  
20 value at or above the maximum value is due to improvements to the  
21 homestead, this subsection shall not apply to such homestead.

22 (3) This section shall not apply to any exemption under section  
23 77-3506 and section 8 of this act.

24 **Sec. 8. (1) The Legislature finds and declares that:**

25 (a) Pursuant to Article VIII, section 2, of the Constitution of  
26 Nebraska, the Legislature may exempt from taxation a portion of the value  
27 of any residence actually occupied as a homestead by any classification  
28 of owners;

29 (b) The existing homestead exemption system should be protected and  
30 expanded; and

31 (c) Exempting a larger portion of homesteads from taxation will

1 provide broad-based property tax relief to Nebraska residents.

2 (2) All homesteads in this state shall be assessed for taxation the  
3 same as other property, except that commencing January 1, 2026, there  
4 shall be exempt from taxation of homesteads the first ten thousand  
5 dollars of the actual value of the homestead.

6 (3) The exemptions in sections 77-3506, 77-3507, and 77-3508 shall  
7 be in addition to the exemption described in subsection (2) of this  
8 section.

9 **Sec. 9.** Section 77-3509.01, Reissue Revised Statutes of Nebraska, is  
10 amended to read:

11 77-3509.01 If an owner of a homestead applies for an exemption under  
12 section 77-3506, 77-3507, or 77-3508 or section 8 of this act for any  
13 year and such owner subsequently becomes the owner of another homestead  
14 prior to August 15 of such year, the owner may file an application with  
15 the county assessor of the county where the new homestead is located for  
16 a transfer of the exemption to the new homestead. The owner shall file  
17 the application for transfer with the county assessor on or before August  
18 15 of such year or within thirty days after receiving a notice of  
19 rejection on the owner's application for exemption for the original  
20 homestead. The county assessor shall examine each application for  
21 transfer and determine whether or not the new homestead, except for the  
22 January 1 through August 15 ownership and occupancy requirement and the  
23 income requirements, is eligible for exemption under section 77-3506,  
24 77-3507, or 77-3508 or section 8 of this act. If the application for  
25 transfer is approved by the county assessor, he or she shall make a  
26 deduction upon the assessment rolls using the same criteria as previously  
27 applied to the original homestead. The county assessor may allow the  
28 application for transfer to also be considered an application for a  
29 homestead exemption for the subsequent year.

30 **Sec. 10.** Section 77-3509.03, Reissue Revised Statutes of Nebraska,  
31 is amended to read:

1           77-3509.03 All property tax statements for homesteads granted an  
2 exemption in sections 77-3506, 77-3507, and 77-3508 and section 8 of this  
3 act shall show the amount of the exemption, the tax that would otherwise  
4 be due, and a statement that the tax loss shall be reimbursed by the  
5 state as a homestead exemption.

6           **Sec. 11.** Section 77-3510, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8           77-3510 On or before February 1 of each year, the Tax Commissioner  
9 shall prescribe forms to be used by all claimants for homestead exemption  
10 or for transfer of homestead exemption. Such forms shall contain  
11 provisions for the showing of all information which the Tax Commissioner  
12 may deem necessary to (1) enable the county officials and the Tax  
13 Commissioner to determine whether each claim for exemption under sections  
14 77-3506, 77-3507, and 77-3508 and section 8 of this act should be allowed  
15 and (2) enable the county assessor to determine whether each claim for  
16 transfer of homestead exemption pursuant to section 77-3509.01 should be  
17 allowed. It shall be the duty of the county assessor of each county in  
18 this state to furnish such forms, upon request, to each person desiring  
19 to make application for homestead exemption or for transfer of homestead  
20 exemption. The forms so prescribed shall be used uniformly throughout the  
21 state, and no application for exemption or for transfer of homestead  
22 exemption shall be allowed unless the applicant uses the prescribed form  
23 in making an application. The forms shall require the attachment of an  
24 income statement for any applicant seeking an exemption under section  
25 77-3507 or 77-3508 as prescribed by the Tax Commissioner fully accounting  
26 for all household income. The Tax Commissioner shall provide to each  
27 county assessor claim forms and address lists of applicants from the  
28 prior year in the manner approved by the Tax Commissioner. The  
29 application and information contained on any attachments to the  
30 application shall be confidential and available to tax officials only.

31           **Sec. 12.** Section 77-3511, Revised Statutes Cumulative Supplement,

1 2024, is amended to read:

2 77-3511 The application for homestead exemption or for transfer of  
3 homestead exemption shall be signed by the owner of the property who  
4 qualifies for exemption under sections 77-3501 to 77-3529 and section 8  
5 of this act unless the owner is an incompetent or unable to make such  
6 application, in which case it shall be signed by the guardian. If an  
7 owner who in all respects qualifies for a homestead exemption under such  
8 sections dies after January 1 and before the last day for filing an  
9 application for a homestead exemption and before applying for a homestead  
10 exemption, his or her personal representative may file the application  
11 for exemption on or before the last day for filing an application for a  
12 homestead exemption of that year if the surviving spouse of such owner  
13 continues to occupy the homestead. Any exemption granted as a result of  
14 such application signed by a personal representative shall be in effect  
15 for only the year in which the owner died.

16 **Sec. 13.** Section 77-3512, Revised Statutes Cumulative Supplement,  
17 2024, is amended to read:

18 77-3512 (1) It shall be the duty of each owner who wants a homestead  
19 exemption under section 77-3506, 77-3507, or 77-3508 or section 8 of this  
20 act to file an application therefor with the county assessor of the  
21 county in which the homestead is located after February 1 and on or  
22 before June 30 of each year, except that:

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

27 (b) An owner may file a late application pursuant to section  
28 77-3514.01 if he or she includes documentation of a medical condition  
29 which impaired the owner's ability to file the application in a timely  
30 manner;

31 (c) An owner may file a late application pursuant to section

1 77-3514.01 if he or she includes a copy of the death certificate of a  
2 spouse who died during the year for which the exemption is requested;

3 (d) A veteran qualifying for a homestead exemption under subdivision  
4 (2)(a) of section 77-3506 shall only be required to file an application  
5 in every subsequent year evenly divisible by five; and

6 (e) If a veteran who has been granted a homestead exemption under  
7 subdivision (2)(a) of section 77-3506 dies during the five-year exemption  
8 period, the surviving spouse of such veteran shall continue to receive  
9 such exemption for the remainder of the five-year exemption period. After  
10 the expiration of the five-year exemption period, the surviving spouse  
11 shall be required to file for an exemption under subdivision (2)(b) of  
12 section 77-3506 on an annual basis.

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

16 **Sec. 14.** Section 77-3513, Revised Statutes Cumulative Supplement,  
17 2024, is amended to read:

18 77-3513 The county assessor shall mail a notice on or before April 1  
19 to claimants who are the owners of a homestead which was granted an  
20 exemption under section 77-3506, 77-3507, or 77-3508 or section 8 of this  
21 act and who are required to refile for such exemption in the current year  
22 unless the claimant has already filed the application for the current  
23 year or the county assessor has reason to believe there has been a change  
24 of circumstances so that the claimant no longer qualifies. The notice  
25 shall include the claimant's name, the application deadlines for the  
26 current year, a list of documents that must be filed with the  
27 application, and the county assessor's office address and telephone  
28 number.

29 **Sec. 15.** Section 77-3514, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 77-3514 A claimant who is the owner of a homestead which has been

1 granted an exemption under section 77-3506, 77-3507, or 77-3508 or  
2 section 8 of this act may notify the county assessor by August 15 of each  
3 year of any change in the homestead exemption status occurring in the  
4 preceding portion of the calendar year as a result of a transfer of the  
5 homestead exemption pursuant to sections 77-3509.01 and 77-3509.02. If by  
6 his or her failure to give such notice any property owner permits the  
7 allowance of the homestead exemption for any year after the homestead  
8 exemption status of such property has changed, an amount equal to the  
9 amount of the taxes lawfully due but not paid by reason of such unlawful  
10 and improper allowance of homestead exemption, together with penalty and  
11 interest on such total sum as provided by statute on delinquent ad  
12 valorem taxes, shall be due and shall upon entry of the amount thereof on  
13 the books of the county treasurer be a lien on such property while  
14 unpaid. Such lien may be enforced in the manner provided for liens for  
15 other delinquent taxes. Any person who has permitted the improper and  
16 unlawful allowance of such homestead exemption on his or her property  
17 shall, as an additional penalty, also forfeit his or her right to a  
18 homestead exemption on any property in this state for the two succeeding  
19 years.

20 **Sec. 16.** Section 77-3516, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 77-3516 The county assessor shall examine each application for  
23 homestead exemption filed with him or her for an exemption pursuant to  
24 section 77-3506, 77-3507, or 77-3508 or section 8 of this act and shall  
25 determine, except for the income requirements, whether or not such  
26 application should be approved or rejected. If the application is  
27 approved, the county assessor shall mark the same approved and sign the  
28 application. In case he or she finds that the exemption should not be  
29 allowed by reason of not being in conformity to law, the county assessor  
30 shall mark the application rejected, state thereon the reason for such  
31 rejection, and sign the application. In any case when the county assessor

1 rejects an application for exemption, he or she shall notify the  
2 applicant of such action by mailing written notice to the applicant at  
3 the address shown in the application within ten days after the  
4 application is rejected. The notice shall be on forms prescribed by the  
5 Tax Commissioner.

6 **Sec. 17.** Section 77-3517, Revised Statutes Cumulative Supplement,  
7 2024, is amended to read:

8 77-3517 (1) On or before August 1 of each year, the county assessor  
9 shall forward the approved applications for homestead exemptions and a  
10 copy of the certification of disability status that have been examined  
11 pursuant to section 77-3516 to the Tax Commissioner. The Tax Commissioner  
12 shall determine if the applicant meets the income requirements and may  
13 also review any other application information he or she deems necessary  
14 in order to determine whether the application should be approved. The Tax  
15 Commissioner shall, on or before November 1, certify his or her  
16 determinations to the county assessor. If the application is approved,  
17 the county assessor shall make the proper deduction on the assessment  
18 rolls. If the application is denied or approved in part, the Tax  
19 Commissioner shall notify the applicant of the denial or partial approval  
20 by mailing written notice to the applicant at the address shown on the  
21 application. The applicant may appeal the Tax Commissioner's denial or  
22 partial approval pursuant to section 77-3520. Late applications  
23 authorized under section 77-3512 shall be processed in a similar manner  
24 after approval by the county assessor. If the Tax Commissioner approves a  
25 late application after any of the real estate taxes in question become  
26 delinquent, such delinquency and any interest associated with the amount  
27 of the approved exemption shall be removed from the tax rolls of the  
28 county within thirty days after the county assessor receives notice from  
29 the Tax Commissioner of the approved exemption.

30 (2)(a) Upon his or her own action or upon a request by an applicant,  
31 a spouse, or an owner-occupant, the Tax Commissioner may review any

1 information necessary to determine whether an application is in  
2 compliance with sections 77-3501 to 77-3529 and section 8 of this act.  
3 Any action taken by the Tax Commissioner pursuant to this subsection  
4 shall be taken within three years after December 31 of the year in which  
5 the exemption was claimed.

6 (b) If after completion of the review the Tax Commissioner  
7 determines that an exemption should have been approved or increased, the  
8 Tax Commissioner shall notify the applicant, spouse, or owner-occupant  
9 and the county treasurer and assessor of his or her determination. The  
10 applicant, spouse, or owner-occupant shall receive a refund of the tax,  
11 if any, that was paid as a result of the exemption being denied, in whole  
12 or in part. The county treasurer shall make the refund and shall amend  
13 the county's claim for reimbursement from the state.

14 (c) If after completion of the review the Tax Commissioner  
15 determines that an exemption should have been denied or reduced, the Tax  
16 Commissioner shall notify the applicant, spouse, or owner-occupant of  
17 such denial or reduction. The applicant, the spouse, and any owner-  
18 occupant may appeal the Tax Commissioner's denial or reduction pursuant  
19 to section 77-3520. Upon the expiration of the appeal period in section  
20 77-3520, the Tax Commissioner shall notify the county assessor of the  
21 denial or reduction and the county assessor shall remove or reduce the  
22 exemption from the tax rolls of the county. Upon notification by the Tax  
23 Commissioner to the county assessor, the amount of tax due as a result of  
24 the action of the Tax Commissioner shall become a lien on the homestead  
25 until paid. Upon attachment of the lien, the county treasurer shall  
26 refund to the Tax Commissioner the amount of tax equal to the denied or  
27 reduced exemption for deposit into the General Fund. No lien shall be  
28 created if a change in ownership of the homestead or death of the  
29 applicant, the spouse, and all other owner-occupants has occurred prior  
30 to the Tax Commissioner's notice to the county assessor. Beginning thirty  
31 days after the county assessor receives approval from the county board to

1 remove or reduce the exemption from the tax rolls of the county, interest  
2 at the rate specified in section 45-104.01, as such rate may from time to  
3 time be adjusted by the Legislature, shall begin to accrue on the amount  
4 of tax due.

5 **Sec. 18.** Section 77-3521, Revised Statutes Cumulative Supplement,  
6 2024, is amended to read:

7 77-3521 It shall be the duty of the Tax Commissioner to adopt and  
8 promulgate rules and regulations for the information and guidance of the  
9 county assessors and county boards of equalization, not inconsistent with  
10 sections 77-3501 to 77-3529 and section 8 of this act, affecting the  
11 application, hearing, assessment, or equalization of property which is  
12 claimed to be entitled to the exemption granted by such sections.

13 **Sec. 19.** Section 77-3522, Revised Statutes Cumulative Supplement,  
14 2024, is amended to read:

15 77-3522 (1) Any person who makes any false or fraudulent claim for  
16 exemption or any false statement or false representation of a material  
17 fact in support of such claim or any person who knowingly assists another  
18 in the preparation of any such false or fraudulent claim or enters into  
19 any collusion with another by the execution of a fictitious deed or other  
20 instrument for the purpose of obtaining unlawful exemption under sections  
21 77-3501 to 77-3529 and section 8 of this act shall be guilty of a Class  
22 II misdemeanor and shall be subject to a forfeiture of any such exemption  
23 for a period of two years from the date of conviction. Any person who  
24 shall make an oath or affirmation to any false or fraudulent application  
25 for homestead exemption knowing the same to be false or fraudulent shall  
26 be guilty of a Class I misdemeanor.

27 (2) In addition to the penalty provided in subsection (1) of this  
28 section, if any person (a) files a claim for exemption as provided in  
29 section 77-3506, 77-3507, or 77-3508 or section 8 of this act which is  
30 excessive due to misstatements by the owner filing such claim or (b)  
31 fails to notify the county assessor of a change in status of a veteran

1 qualifying for a homestead exemption under subdivision (2)(a) of section  
2 77-3506 which affected all or a portion of the exemption period,  
3 including a change in rating, the death of the veteran, or a transfer of  
4 property not covered by section 77-3514, the claim may be disallowed in  
5 full and, if the claim has been allowed, an amount equal to the amount of  
6 taxes lawfully due during the applicable exemption period but not paid by  
7 reason of such unlawful and improper allowance of homestead exemption  
8 shall be due and shall upon entry of the amount thereof on the books of  
9 the county treasurer be a lien on such property until paid and a penalty  
10 and interest on such total sum as provided by statute on delinquent ad  
11 valorem taxes shall be assessed. Any amount paid to satisfy a lien  
12 imposed pursuant to this subsection shall be paid to the county treasurer  
13 in the same manner that other property taxes are paid, and the county  
14 treasurer shall remit such amount to the State Treasurer for credit to  
15 the General Fund. Any penalty collected pursuant to this subsection shall  
16 be retained by the county in which such penalty is assessed.

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

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

1       **Sec. 20.** Section 77-3523, Revised Statutes Cumulative Supplement,  
2   2024, is amended to read:

3       77-3523 The county treasurer and county assessor shall, on or before  
4   November 30 of each year, certify to the Tax Commissioner the total tax  
5   revenue that will be lost to all taxing agencies within the county from  
6   taxes levied and assessed in that year because of exemptions allowed  
7   under sections 77-3501 to 77-3529 and section 8 of this act. The county  
8   treasurer and county assessor may amend the certification to show any  
9   change or correction in the total tax that will be lost until May 30 of  
10   the next succeeding year. If a homestead exemption is approved, denied,  
11   or corrected by the Tax Commissioner under subsection (2) of section  
12   77-3517 after May 1 of the next year, the county treasurer and county  
13   assessor shall prepare and submit amended reports to the Tax Commissioner  
14   and the political subdivisions covering any affected year and shall  
15   adjust the reimbursement to the county and the other political  
16   subdivisions by adjusting the reimbursement due under this section in  
17   later years. The Tax Commissioner shall, on or before January 1 next  
18   following such certification or within thirty days of any amendment to  
19   the certification, notify the Director of Administrative Services of the  
20   amount so certified to be reimbursed by the state. Reimbursement of the  
21   funds lost shall be made to each county according to the certification  
22   and shall be distributed in six as nearly as possible equal monthly  
23   payments on the last business day of each month beginning in January. The  
24   Director of Administrative Services shall, on the last business day of  
25   each month, issue payments by electronic funds transfer. Out of the  
26   amount so received the county treasurer shall distribute to each of the  
27   taxing agencies within his or her county the full amount so lost by such  
28   agency, except that one percent of such amount shall be deposited in the  
29   county general fund and that the amount due a Class V school district  
30   shall be paid to the district and the county shall be compensated one  
31   percent of such amount. Each taxing agency shall, in preparing its annual

1 or biennial budget, take into account the amount to be received under  
2 this section.

3 **Sec. 21.** Section 77-3529, Revised Statutes Cumulative Supplement,  
4 2024, is amended to read:

5 77-3529 If any application for exemption pursuant to sections  
6 77-3501 to 77-3529 and section 8 of this act is denied and the applicant  
7 would be qualified for any other exemption under such sections, then such  
8 denied application shall be treated as an application for the highest  
9 exemption for which qualified. Any additional documentation necessary for  
10 such other exemption shall be submitted to the county assessor within a  
11 reasonable time after receipt of the notice of denial.

12 **Sec. 24.** Section 77-4212, Revised Statutes Cumulative Supplement,  
13 2024, is amended to read:

14 77-4212 (1) For tax year 2007, the amount of relief granted under  
15 the Property Tax Credit Act shall be one hundred five million dollars.  
16 For tax year 2008, the amount of relief granted under the act shall be  
17 one hundred fifteen million dollars. It is the intent of the Legislature  
18 to fund the Property Tax Credit Act for tax years after tax year 2008  
19 using available revenue. For tax year 2017, the amount of relief granted  
20 under the act shall be two hundred twenty-four million dollars. For tax  
21 year 2020 through tax year 2022, the minimum amount of relief granted  
22 under the act shall be two hundred seventy-five million dollars. For tax  
23 year 2023, the minimum amount of relief granted under the act shall be  
24 three hundred sixty million dollars. For tax year 2024, the minimum  
25 amount of relief granted under the act shall be three hundred ninety-five  
26 million dollars. For tax year 2025, the minimum amount of relief granted  
27 under the act shall be four hundred thirty million dollars. For tax year  
28 2026, the minimum amount of relief granted under the act shall be four  
29 hundred forty-five million dollars. For tax year 2027, the minimum amount  
30 of relief granted under the act shall be four hundred sixty million  
31 dollars. For tax year 2028, the minimum amount of relief granted under

1 the act shall be four hundred seventy-five million dollars. For tax year  
2 2029, the minimum amount of relief granted under the act shall be the  
3 minimum amount from the prior tax year plus a percentage increase equal  
4 to the percentage increase, if any, in the total assessed value of all  
5 real property in the state from the prior year to the current year, as  
6 determined by the Department of Revenue, plus an additional seventy-five  
7 million dollars. For tax year 2030 and each tax year thereafter, the  
8 minimum amount of relief granted under the act shall be the minimum  
9 amount from the prior tax year plus a percentage increase equal to the  
10 percentage increase, if any, in the total assessed value of all real  
11 property in the state from the prior year to the current year, as  
12 determined by the Department of Revenue. If money is transferred or  
13 credited to the Property Tax Credit Cash Fund pursuant to any other state  
14 law, such amount shall be added to the minimum amount required under this  
15 subsection when determining the total amount of relief granted under the  
16 act. The relief shall be in the form of a property tax credit which  
17 appears on the property tax statement.

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

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

30 (3) If the real property owner qualifies for a homestead exemption  
31 under sections 77-3501 to 77-3529 and section 8 of this act, the owner

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

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

31 (b) Beginning with tax year 2017, the amount disbursed to each

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

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

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

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

25 **Sec. 25.** Section 77-7305, Revised Statutes Cumulative Supplement,  
26 2024, is amended to read:

27 77-7305 (1) The School District Property Tax Relief Act shall apply  
28 to tax year 2024 and each tax year thereafter. For tax year 2024, the  
29 total amount of relief granted under the act shall be seven hundred fifty  
30 million dollars. For tax year 2025, the total amount of relief granted  
31 under the act shall be seven hundred eighty million dollars. For tax year

1 2026, the total amount of relief granted under the act shall be eight  
2 hundred eight million dollars. For tax year 2027, the total amount of  
3 relief granted under the act shall be eight hundred thirty-eight million  
4 dollars. For tax year 2028, the total amount of relief granted under the  
5 act shall be eight hundred seventy million dollars. For tax year 2029,  
6 the total amount of relief granted under the act shall be nine hundred  
7 two million dollars. For tax year 2030 and each tax year thereafter, the  
8 total amount of relief granted under the act shall be the total amount of  
9 relief from the prior year increased by three percent. The relief shall  
10 be in the form of property tax credits which appear on property tax  
11 statements. Property tax credits granted under the act shall be credited  
12 against the amount of property taxes owed to school districts.

13 (2) To determine the amount of the property tax credit for each  
14 parcel, the county treasurer shall multiply the amount disbursed to the  
15 county under subsection (4) of this section by the ratio of the school  
16 district taxes levied in the prior year on the parcel to the school  
17 district taxes levied in the prior year on all real property in the  
18 county. The amount so determined shall be the property tax credit for  
19 that parcel.

20 (3) If the real property owner qualifies for a homestead exemption  
21 under sections 77-3501 to 77-3529 and section 8 of this act, the owner  
22 shall also be qualified for the property tax credit provided in this  
23 section to the extent of any remaining liability after calculation of the  
24 homestead exemption. If the property tax credit provided in this section  
25 results in a property tax liability on the homestead that is less than  
26 zero, the amount of the credit which cannot be used by the taxpayer shall  
27 be returned to the Property Tax Administrator by July 1 of the year the  
28 amount disbursed to the county was disbursed. The Property Tax  
29 Administrator shall immediately credit any funds returned under this  
30 subsection to the School District Property Tax Relief Credit Fund. Upon  
31 the return of any funds under this subsection, the county treasurer shall

1 electronically file a report with the Property Tax Administrator, on a  
2 form prescribed by the Tax Commissioner, indicating the amount of funds  
3 distributed to each school district in the county in the year the funds  
4 were returned and the amount of unused credits returned.

5 (4) The amount disbursed to each county under this section shall be  
6 equal to the amount available for disbursement under subsection (1) of  
7 this section multiplied by the ratio of the school district taxes levied  
8 in the prior year on all real property in the county to the school  
9 district taxes levied in the prior year on all real property in the  
10 state. By September 15, 2024, and by September 15 of each year  
11 thereafter, the Property Tax Administrator shall determine the amount to  
12 be disbursed under this subsection to each county and shall certify such  
13 amounts to the State Treasurer and to each county. The disbursements to  
14 the counties shall occur in two equal payments, the first on or before  
15 January 31 and the second on or before April 1.

16 (5) The county treasurer shall disburse amounts received under  
17 subsection (4) of this section, which are credited against the amount of  
18 property taxes owed to school districts, in the same manner as if such  
19 funds had been received in the form of property tax payments for property  
20 taxes owed to school districts, meaning any amounts attributable to  
21 divided taxes pursuant to section 18-2147 of the Community Development  
22 Law shall be remitted to the applicable authority for which such taxes  
23 were divided.

24 (6) The School District Property Tax Relief Credit Fund shall be  
25 used for purposes of making the disbursements to counties required under  
26 subsection (4) of this section.

27 **Sec. 29.** Original sections 77-3509.01, 77-3509.03, 77-3510,  
28 77-3514, and 77-3516, Reissue Revised Statutes of Nebraska, and sections  
29 77-3501, 77-3505.06, 77-3506.03, 77-3511, 77-3512, 77-3513, 77-3517,  
30 77-3521, 77-3522, 77-3523, 77-3529, 77-4212, and 77-7305, Revised  
31 Statutes Cumulative Supplement, 2024, are repealed.

- 1           2. On page 19, line 16, after the first comma insert "and"; and
- 2   strike beginning with "and" in line 17 through "2025," in line 19.
- 3           3. Renumber the remaining sections accordingly.
- 4           4. Correct the operative date section so that the sections added by
- 5   this amendment become operative on January 1, 2026.