

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1183**

Introduced by Lippincott, 34; Lonowski, 33.

Read first time January 21, 2026

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section  
2 79-1016, Reissue Revised Statutes of Nebraska, and sections 77-201  
3 and 77-5023, Revised Statutes Cumulative Supplement, 2024; to change  
4 provisions relating to valuation of property; to harmonize  
5 provisions; to provide an operative date; and to repeal the original  
6 sections.

7 Be it enacted by the people of the State of Nebraska,

1       **Section 1.** Section 77-201, Revised Statutes Cumulative Supplement,  
2    2024, is 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 fifty percent of its  
6    actual value.

7           (2) Agricultural land and horticultural land as defined in section  
8    77-1359 shall constitute a separate and distinct class of property for  
9    purposes of property taxation, shall be subject to taxation, unless  
10   expressly exempt from taxation, and shall be valued at thirty-seven and  
11   five-tenths ~~seventy-five~~ percent of its actual value, except that for  
12   school district taxes levied to pay the principal and interest on bonds  
13   that are approved by a vote of the people on or after January 1, 2027  
14   2022, such land shall be valued at twenty-five ~~fifty~~ percent of its  
15   actual value.

16          (3) Agricultural land and horticultural land actively devoted to  
17    agricultural or horticultural purposes which has value for purposes other  
18    than agricultural or horticultural uses and which meets the  
19    qualifications for special valuation under section 77-1344 shall  
20    constitute a separate and distinct class of property for purposes of  
21    property taxation, shall be subject to taxation, and shall be valued for  
22    taxation at thirty-seven and five-tenths ~~seventy-five~~ percent of its  
23    special valuation as defined in section 77-1343, except that for school  
24    district taxes levied to pay the principal and interest on bonds that are  
25    approved by a vote of the people on or after January 1, 2027 2022, such  
26    land shall be valued at twenty-five ~~fifty~~ percent of its special  
27    valuation as defined in section 77-1343.

28          (4) Historically significant real property which meets the  
29    qualifications for historic rehabilitation valuation under sections  
30    77-1385 to 77-1394 shall be valued for taxation as provided in such  
31    sections.

1       (5) Tangible personal property, not including motor vehicles,  
2 trailers, and semitrailers registered for operation on the highways of  
3 this state, shall constitute a separate and distinct class of property  
4 for purposes of property taxation, shall be subject to taxation, unless  
5 expressly exempt from taxation, and shall be valued at its net book  
6 value. Tangible personal property transferred as a gift or devise or as  
7 part of a transaction which is not a purchase shall be subject to  
8 taxation based upon the date the property was acquired by the previous  
9 owner and at the previous owner's Nebraska adjusted basis. Tangible  
10 personal property acquired as replacement property for converted property  
11 shall be subject to taxation based upon the date the converted property  
12 was acquired and at the Nebraska adjusted basis of the converted property  
13 unless insurance proceeds are payable by reason of the conversion. For  
14 purposes of this subsection, (a) converted property means tangible  
15 personal property which is compulsorily or involuntarily converted as a  
16 result of its destruction in whole or in part, theft, seizure,  
17 requisition, or condemnation, or the threat or imminence thereof, and no  
18 gain or loss is recognized for federal or state income tax purposes by  
19 the holder of the property as a result of the conversion and (b)  
20 replacement property means tangible personal property acquired within two  
21 years after the close of the calendar year in which tangible personal  
22 property was converted and which is, except for date of construction or  
23 manufacture, substantially the same as the converted property.

24       **Sec. 2.** Section 77-5023, Revised Statutes Cumulative Supplement,  
25 2024, is amended to read:

26       77-5023 (1) Pursuant to section 77-5022, the commission shall have  
27 the power to increase or decrease the value of a class or subclass of  
28 real property in any county or taxing authority or of real property  
29 valued by the state so that all classes or subclasses of real property in  
30 all counties fall within an acceptable range.

31       (2) An acceptable range is the percentage of variation from a

1 standard for valuation as measured by an established indicator of central  
2 tendency of assessment. Acceptable ranges are: (a) For agricultural land  
3 and horticultural land as defined in section 77-1359, thirty-four and  
4 five-tenths sixty-nine to thirty-seven and five-tenths seventy-five  
5 percent of actual value, except that for school district taxes levied to  
6 pay the principal and interest on bonds that are approved by a vote of  
7 the people on or after January 1, 2027 2022, the acceptable range is  
8 twenty-two forty-four to twenty-five fifty percent of actual value; (b)  
9 for lands receiving special valuation, thirty-four and five-tenths sixty-  
10 nine to thirty-seven and five-tenths seventy-five percent of special  
11 valuation as defined in section 77-1343, except that for school district  
12 taxes levied to pay the principal and interest on bonds that are approved  
13 by a vote of the people on or after January 1, 2027 2022, the acceptable  
14 range is twenty-two forty-four to twenty-five fifty percent of special  
15 valuation as defined in section 77-1343; and (c) for all other real  
16 property, forty-six ninety-two to fifty one-hundred percent of actual  
17 value.

18 (3) Any increase or decrease shall cause the level of value  
19 determined by the commission to be at the midpoint of the applicable  
20 acceptable range.

21 (4) Any decrease or increase to a subclass of property shall also  
22 cause the level of value determined by the commission for the class from  
23 which the subclass is drawn to be within the applicable acceptable range.

24 (5) Whether or not the level of value determined by the commission  
25 falls within an acceptable range or at the midpoint of an acceptable  
26 range may be determined to a reasonable degree of certainty relying upon  
27 generally accepted mass appraisal techniques.

28 **Sec. 3.** Section 79-1016, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 79-1016 (1) On or before August 20, the county assessor shall  
31 certify to the Property Tax Administrator the total taxable value by

1 school district in the county for the current assessment year on forms  
2 prescribed by the Tax Commissioner. The county assessor may amend the  
3 filing for changes made to the taxable valuation of the school district  
4 in the county if corrections or errors on the original certification are  
5 discovered. Amendments shall be certified to the Property Tax  
6 Administrator on or before August 31.

7 (2) On or before October 10, the Property Tax Administrator shall  
8 compute and certify to the State Department of Education the adjusted  
9 valuation for the current assessment year for each class of property in  
10 each school district and each local system. The adjusted valuation of  
11 property for each school district and each local system, for purposes of  
12 determining state aid pursuant to the Tax Equity and Educational  
13 Opportunities Support Act, shall reflect as nearly as possible state aid  
14 value as defined in subsection (3) of this section. The Property Tax  
15 Administrator shall notify each school district and each local system of  
16 its adjusted valuation for the current assessment year by class of  
17 property on or before October 10. Establishment of the adjusted valuation  
18 shall be based on the taxable value certified by the county assessor for  
19 each school district in the county adjusted by the determination of the  
20 level of value for each school district from an analysis of the  
21 comprehensive assessment ratio study or other studies developed by the  
22 Property Tax Administrator, in compliance with professionally accepted  
23 mass appraisal techniques, as required by section 77-1327. The Tax  
24 Commissioner shall adopt and promulgate rules and regulations setting  
25 forth standards for the determination of level of value for state aid  
26 purposes.

27 (3) For purposes of this section, state aid value means:  
28 (a) For real property other than agricultural and horticultural  
29 land, forty-eight ninety-six percent of actual value;  
30 (b) For agricultural and horticultural land, thirty-six seventy-two  
31 percent of actual value as provided in sections 77-1359 to 77-1363. For

1 agricultural and horticultural land that receives special valuation  
2 pursuant to section 77-1344, thirty-six ~~seventy-two~~ percent of special  
3 valuation as defined in section 77-1343; and

4 (c) For personal property, the net book value as defined in section  
5 77-120.

6 (4) On or before November 10, any local system may file with the Tax  
7 Commissioner written objections to the adjusted valuations prepared by  
8 the Property Tax Administrator, stating the reasons why such adjusted  
9 valuations are not the valuations required by subsection (3) of this  
10 section. The Tax Commissioner shall fix a time for a hearing. Either  
11 party shall be permitted to introduce any evidence in reference thereto.  
12 On or before January 1, the Tax Commissioner shall enter a written order  
13 modifying or declining to modify, in whole or in part, the adjusted  
14 valuations and shall certify the order to the State Department of  
15 Education. Modification by the Tax Commissioner shall be based upon the  
16 evidence introduced at hearing and shall not be limited to the  
17 modification requested in the written objections or at hearing. A copy of  
18 the written order shall be mailed to the local system within seven days  
19 after the date of the order. The written order of the Tax Commissioner  
20 may be appealed within thirty days after the date of the order to the Tax  
21 Equalization and Review Commission in accordance with section 77-5013.

22 (5) On or before November 10, any local system or county official  
23 may file with the Tax Commissioner a written request for a nonappealable  
24 correction of the adjusted valuation due to clerical error as defined in  
25 section 77-128 or, for agricultural and horticultural land, assessed  
26 value changes by reason of land qualified or disqualified for special use  
27 valuation pursuant to sections 77-1343 to 77-1347.01. On or before the  
28 following January 1, the Tax Commissioner shall approve or deny the  
29 request and, if approved, certify the corrected adjusted valuations  
30 resulting from such action to the State Department of Education.

31 (6) On or before May 31 of the year following the certification of

1       adjusted valuation pursuant to subsection (2) of this section, any local  
2       system or county official may file with the Tax Commissioner a written  
3       request for a nonappealable correction of the adjusted valuation due to  
4       changes to the tax list that change the assessed value of taxable  
5       property. Upon the filing of the written request, the Tax Commissioner  
6       shall require the county assessor to recertify the taxable valuation by  
7       school district in the county on forms prescribed by the Tax  
8       Commissioner. The recertified valuation shall be the valuation that was  
9       certified on the tax list, pursuant to section 77-1613, increased or  
10      decreased by changes to the tax list that change the assessed value of  
11      taxable property in the school district in the county in the prior  
12      assessment year. On or before the following July 31, the Tax Commissioner  
13      shall approve or deny the request and, if approved, certify the corrected  
14      adjusted valuations resulting from such action to the State Department of  
15      Education.

16           (7) No injunction shall be granted restraining the distribution of  
17      state aid based upon the adjusted valuations pursuant to this section.

18           (8) A school district whose state aid is to be calculated pursuant  
19      to subsection (5) of this section and whose state aid payment is  
20      postponed as a result of failure to calculate state aid pursuant to such  
21      subsection may apply to the state board for lump-sum payment of such  
22      postponed state aid. Such application may be for any amount up to one  
23      hundred percent of the postponed state aid. The state board may grant the  
24      entire amount applied for or any portion of such amount. The state board  
25      shall notify the Director of Administrative Services of the amount of  
26      funds to be paid in a lump sum and the reduced amount of the monthly  
27      payments. The Director of Administrative Services shall, at the time of  
28      the next state aid payment made pursuant to section 79-1022, draw a  
29      warrant for the lump-sum amount from appropriated funds and forward such  
30      warrant to the district.

31           **Sec. 4.** This act becomes operative on January 1, 2027.

1           **Sec. 5.**   Original section 79-1016, Reissue Revised Statutes of  
2   Nebraska, and sections 77-201 and 77-5023, Revised Statutes Cumulative  
3   Supplement, 2024, are repealed.