

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 814**

Introduced by Brandt, 32; DeKay, 40; Dorn, 30; Ibach, 44; Jacobson, 42;  
Murman, 38.

Read first time January 07, 2026

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
- 2 77-201 and 77-5023, Revised Statutes Cumulative Supplement, 2024; to
- 3 change the valuation of agricultural land and horticultural land; to
- 4 harmonize provisions; and to repeal the original sections.
- 5 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 its actual value.

6       (2) Agricultural land and horticultural land as defined in section  
7       77-1359 shall constitute a separate and distinct class of property for  
8       purposes of property taxation, shall be subject to taxation, unless  
9       expressly exempt from taxation, and shall be valued at:

10       (a) Before January 1, 2027, seventy-five percent of its actual  
11       value, except that for school district taxes levied to pay the principal  
12       and interest on bonds that are approved by a vote of the people on or  
13       after January 1, 2022, such land shall be valued at fifty percent of its  
14       actual value; and -

15       (b) On or after January 1, 2027, fifty percent of its 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:

23       (a) Before January 1, 2027, seventy-five percent of its special  
24       valuation as defined in section 77-1343, except that for school district  
25       taxes levied to pay the principal and interest on bonds that are approved  
26       by a vote of the people on or after January 1, 2022, such land shall be  
27       valued at fifty percent of its special valuation as defined in section  
28       77-1343; and -

29       (b) On or after January 1, 2027, fifty percent of its special  
30       valuation as defined in section 77-1343.

31       (4) Historically significant real property which meets the

1 qualifications for historic rehabilitation valuation under sections  
2 77-1385 to 77-1394 shall be valued for taxation as provided in such  
3 sections.

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

27 **Sec. 2.** Section 77-5023, Revised Statutes Cumulative Supplement,  
28 2024, is amended to read:

29 77-5023 (1) Pursuant to section 77-5022, the commission shall have  
30 the power to increase or decrease the value of a class or subclass of  
31 real property in any county or taxing authority or of real property

1 valued by the state so that all classes or subclasses of real property in  
2 all counties fall within an acceptable range.

3 (2) An acceptable range is the percentage of variation from a  
4 standard for valuation as measured by an established indicator of central  
5 tendency of assessment. Acceptable ranges are:

6 (a) For agricultural land and horticultural land as defined in  
7 section 77-1359: ~~τ~~

8 (i) Before January 1, 2027, sixty-nine to seventy-five percent of  
9 actual value, except that for school district taxes levied to pay the  
10 principal and interest on bonds that are approved by a vote of the people  
11 on or after January 1, 2022, the acceptable range is forty-four to fifty  
12 percent of actual value; and

13 (ii) On or after January 1, 2027, forty-four to fifty percent of  
14 actual value;

15 (b) For ~~for~~ lands receiving special valuation: ~~τ~~

16 (i) Before January 1, 2027, sixty-nine to seventy-five percent of  
17 special valuation as defined in section 77-1343, except that for school  
18 district taxes levied to pay the principal and interest on bonds that are  
19 approved by a vote of the people on or after January 1, 2022, the  
20 acceptable range is forty-four to fifty percent of special valuation as  
21 defined in section 77-1343; and

22 (ii) On or after January 1, 2027, forty-four to fifty percent of  
23 special valuation as defined in section 77-1343;

24 (c) For ~~for~~ all other real property, ninety-two to one hundred  
25 percent of actual value.

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

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

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

5           **Sec. 3.** Original sections 77-201 and 77-5023, Revised Statutes  
6 Cumulative Supplement, 2024, are repealed.