

# LEGISLATIVE BILL 501

Approved by the Governor April 7, 2025

Introduced by Meyer, 17.

A BILL FOR AN ACT relating to property taxes; to amend sections 77-1301, 77-1307, 77-1308, 77-1309, and 77-1725.01, Revised Statutes Cumulative Supplement, 2024; to change provisions relating to the assessment of real property that suffers significant property damage; to redefine and eliminate terms; to harmonize provisions; to repeal the original sections; and to declare an emergency.

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

**Section 1.** Section 77-1301, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-1301 (1) All real property in this state subject to taxation shall be assessed as of January 1 at 12:01 a.m., and such assessment shall be used as a basis of taxation until the next assessment unless the property is damaged destroyed real property as defined in section 77-1307, in which case the assessed value for the damaged destroyed real property shall be adjusted as provided in sections 77-1307 to 77-1309.

(2) Beginning January 1, 2014, in any county with a population of at least one hundred fifty thousand inhabitants according to the most recent federal decennial census, the county assessor shall provide notice of preliminary valuations to real property owners on or before January 15 of each year. Such notice shall be (a) mailed to the taxpayer or (b) published on a website maintained by the county assessor or by the county.

(3) The county assessor shall complete the assessment of real property on or before March 19 of each year, except beginning January 1, 2014, in any county with a population of at least one hundred fifty thousand inhabitants according to the most recent federal decennial census, the county assessor shall complete the assessment of real property on or before March 25 of each year.

**Sec. 2.** Section 77-1307, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-1307 (1) The Legislature finds and declares that fires, earthquakes, floods, and tornadoes, and other events causing significant property damage occur with enough frequency in this state that provision should be made to grant property tax relief to owners of real property adversely affected by such events.

(2) For purposes of sections 77-1307 to 77-1309:

~~(a) Calamity means a disastrous event, including, but not limited to, a fire, an earthquake, a flood, a tornado, or other natural event which significantly affects the assessed value of real property;~~

~~(a) Damaged (b) Destroyed~~ real property means real property that suffers significant property damage as a result of a calamity occurring on or after January 1, ~~2019~~, and before July 1 of the current assessment year. Damaged Destroyed real property does not include property suffering significant property damage that is caused by the owner of the property; and

~~(b) (c)~~ Significant property damage means:

~~(i) Damage to an improvement exceeding twenty percent of the improvement's assessed value in the current tax year as determined by the county assessor; or~~

~~(ii) Damage to land exceeding twenty percent of the land's a parcel's assessed land value in the current tax year. as determined by the county assessor; or~~

~~(iii) Damage exceeding twenty percent of the property's assessed value in the current tax year as determined by the county assessor if (A) such property is located in an area that has been declared a disaster area by the Governor and (B) a housing inspector or health inspector has determined that the property is uninhabitable or unlivable.~~

**Sec. 3.** Section 77-1308, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-1308 (1) If real property suffers significant property damage prior to July 1 of becomes destroyed real property during the current assessment year, the property owner shall file a report of the damaged destroyed real property with the ~~county assessor and county clerk of the county in which the property is located on or before July 15 of the current assessment year.~~ The report of damaged destroyed real property shall be made on a form prescribed by the Tax Commissioner.

(2) If the damaged destroyed real property was a mobile home that was moved pursuant to section 77-3708 and required to pay an accelerated tax pursuant to section 77-1725.01, the property owner shall report the damaged destroyed real property on or before July 15 in the same manner as other real property. The property owner may make a request for refund of the accelerated tax paid pursuant to section 77-1734.01 for any portion of value reduced by the county board of equalization pursuant to section 77-1309.

(3) The county assessor shall inspect and review all properties for which a report has been filed under this section and shall submit a comprehensive

report of all such properties to the county board of equalization on or before July 20 of the current assessment year. The county assessor's report shall be made on a form prescribed by the Tax Commissioner and shall include all reports filed under this section by property owners. The county board of equalization shall consider any report of ~~destroyed real property~~ received from the county assessor pursuant to this section, and the assessment of such property shall be made by the county board of equalization in accordance with section 77-1309. After county board of equalization action pursuant to section 77-1309, the county assessor shall correct the current year's assessment roll as provided in section 77-1613.02.

**Sec. 4.** Section 77-1309, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-1309 (1) ~~When~~ If the county board of equalization receives a report of damaged destroyed real property from the county assessor pursuant to section 77-1308, the county board of equalization shall adjust the assessed value of the damaged destroyed real property to its assessed value on the date it suffers significant property damage.

(2) The county board of equalization may meet on or after June 1 and on or before July 25, or on or before August 10 if the board has adopted a resolution to extend the deadline for hearing protests under section 77-1502, for the purpose of considering the assessed value of damaged destroyed real property pursuant to this section. Any action of the county board of equalization which changes the assessed value of damaged destroyed real property pursuant to this section shall be for the current assessment year only.

(3) The county board of equalization shall give notice of the assessed value of the damaged destroyed real property to the record owner or agent at his or her last-known address. Protests of the assessed value proposed for damaged destroyed real property pursuant to this section shall be filed with the county board of equalization within thirty days after the mailing of the notice. All provisions of section 77-1502 except dates for filing a protest, the period for hearing protests, and the date for mailing notice of the county board of equalization's decision are applicable to any protest filed pursuant to this section. The county board of equalization shall issue its decision on the protest within thirty days after the filing of the protest. Within seven days after the county board of equalization's final decision, the county clerk shall mail to the protester written notice of the decision. The notice shall contain a statement advising the protester that a report of the decision is available at the county clerk's or county assessor's office, whichever is appropriate.

(4) The action of the county board of equalization upon a protest filed pursuant to this section may be appealed to the Tax Equalization and Review Commission within thirty days after the board's final decision.

**Sec. 5.** Section 77-1725.01, Revised Statutes Cumulative Supplement, 2024, is amended to read:

77-1725.01 Except in any city or village that has adopted a building code with provisions for demolition of unsafe buildings or structures, it shall be the duty of any assessor, sheriff, constable, city council member, and village trustee to at once inform the county treasurer of the removal or demolition of or a levy of attachment upon any item of real property known to him or her. Except for property considered to be damaged destroyed real property as defined in section 77-1307, it shall be the duty of the county treasurer to immediately proceed with the collection of any delinquent or current taxes when such acts become known to him or her in any manner. Except for property considered to be damaged destroyed real property as defined in section 77-1307, the taxes shall be due and collectible, which taxes shall include taxes on all real property then assessed upon which the tax shall be computed on the basis of the last preceding levy, and a distress warrant shall be issued when (1) any person attempts to remove or demolish all or a substantial portion of his or her real property or (2) a levy of attachment is made upon the real property. From the date the taxes are due and collectible, the taxes shall be a first lien upon the personal property of the person to whom assessed until paid.

**Sec. 6.** Original sections 77-1301, 77-1307, 77-1308, 77-1309, and 77-1725.01, Revised Statutes Cumulative Supplement, 2024, are repealed.

**Sec. 7.** Since an emergency exists, this act takes effect when passed and approved according to law.