

LEGISLATIVE BILL 179

Approved by the Governor May 25, 1999

Introduced by Preister, 5; Bohlke, 33; Bourne, 8; Bromm, 23; Hilgert, 7; Lynch, 13; Redfield, 12; Schimek, 27; Suttle, 10; Dw. Pedersen, 39; Landis, 46; Kiel, 9; C. Peterson, 35

AN ACT relating to revenue and taxation; to amend sections 77-3507 to 77-3509 and 77-3513, Revised Statutes Supplement, 1998; to change homestead exemption provisions; to harmonize provisions; to provide an operative date; and to repeal the original sections.

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

Section 1. Section 77-3507, Revised Statutes Supplement, 1998, is amended to read:

77-3507. (1) All homesteads in this state shall be assessed for taxation the same as other property, except that there shall be exempt from taxation on homesteads of qualified claimants a percentage of the exempt amount as limited by section 77-3506.03. The percentage of the exempt amount shall be determined based on the household income of a claimant pursuant to subsections (2) through (4) of this section.

(2) For 1996, for a qualified married claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 18,000	100
18,001 through 19,000	85
19,001 through 20,000	70
20,001 through 21,000	55
21,001 through 22,000	40
22,001 through 23,000	25
23,001 and over	0

(3) For 1996, for a qualified single claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 15,500	100
15,501 through 16,300	85
16,301 through 17,100	70
17,101 through 17,900	55
17,901 through 18,700	40
18,701 through 19,500	25
19,501 and over	0

(4) For 1997, for a qualified married or closely related claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 19,300	100
19,301 through 20,300	85
20,301 through 21,300	70
21,301 through 22,300	55
22,301 through 23,300	40
23,301 through 24,300	25
24,301 and over	0

(5) For 1997, for a qualified single claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
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0 through 16,600	100
16,601 through 17,400	85
17,401 through 18,200	70
18,201 through 19,000	55
19,001 through 19,800	40
19,801 through 20,600	25
20,601 and over	0

(6) For exemption applications filed in calendar year 1998 and each year thereafter, the income eligibility amounts in subsections (4) and (5) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 1997. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

(2) For 2000, for a qualified married or closely related claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A	Column B
Household Income In Dollars	Percentage Of Relief
0 through 22,500	100
22,501 through 23,700	85
23,701 through 24,900	70
24,901 through 26,100	55
26,101 through 27,300	40
27,301 through 28,500	25
28,501 and over	0

(3) For 2000, for a qualified single claimant, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A	Column B
Household Income In Dollars	Percentage Of Relief
0 through 19,200	100
19,201 through 20,200	85
20,201 through 21,200	70
21,201 through 22,200	55
22,201 through 23,200	40
23,201 through 24,200	25
24,201 and over	0

(4) For exemption applications filed in calendar year 2001 and each year thereafter, the income eligibility amounts in subsections (2) and (3) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 2000. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

Sec. 2. Section 77-3508, Revised Statutes Supplement, 1998, is amended to read:

77-3508. (1) All homesteads in this state shall be assessed for taxation the same as other property, except that there shall be exempt from taxation, on any homestead of (a) veterans as defined in section 80-401.01 who are totally disabled by a non-service-connected accident or illness, (b) individuals who are paralyzed in both legs such as to preclude locomotion without the regular aid of braces, crutches, canes, or wheelchairs, (c) individuals who have undergone amputation of both lower extremities such as to preclude locomotion without the regular aid of braces, crutches, canes, wheelchairs, or artificial limbs, (d) individuals with progressive neuromuscular or neurological disease such as to preclude locomotion without the regular aid of braces, crutches, canes, wheelchairs, or artificial limbs or who have permanently lost the use or control of both arms, and (e) have a permanent physical disability or who have lost all mobility such as to preclude locomotion without the regular use of a mechanical aid or prostheses, and (c) individuals who have undergone amputation of both arms above the elbow or who have a permanent partial disability of both arms in excess of seventy-five percent, a percentage of the exempt amount as limited by section 77-3506.03. The exemption shall be based on the household income of a claimant pursuant to subsections (2) through (4) of this section. Application for such exemption shall include certification from a qualified medical physician for subdivisions (1)(a) through (1)(e) (c) of this section

or certification from the United States Department of Veterans Affairs affirming that the homeowner is totally disabled due to non-service-connected accident or illness for subdivision (1)(a) of this section. Such certification from a qualified medical physician shall be made on forms prescribed by the Department of Revenue.

(2) For 1996, for a married claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 20,000	100
20,001 through 21,000	85
21,001 through 22,000	70
22,001 through 23,000	55
23,001 through 24,000	40
24,001 through 25,000	25
25,001 and over	0

(3) For 1996, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 17,500	100
17,501 through 18,300	85
18,301 through 19,100	70
19,101 through 19,900	55
19,901 through 20,700	40
20,701 through 21,500	25
21,501 and over	0

(4) For 1997, for a married or closely related claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 21,200	100
21,201 through 22,200	85
22,201 through 23,200	70
23,201 through 24,200	55
24,201 through 25,200	40
25,201 through 26,200	25
26,201 and over	0

(5) For 1997, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 18,600	100
18,601 through 19,400	85
19,401 through 20,200	70
20,201 through 21,000	55
21,001 through 21,800	40
21,801 through 22,600	25
22,601 and over	0

(6) For exemption applications filed in calendar year 1998 and each year thereafter, the income eligibility amounts in subsections (4) and (5) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 1997. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

(2) For 2000, for a married or closely related claimant as described in subsection (1) of this section, the percentage of the exempt amount for

which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

<u>Column A</u> <u>Household Income</u> <u>In Dollars</u>	<u>Column B</u> <u>Percentage</u> <u>Of Relief</u>
0 through 24,700	100
24,701 through 25,900	85
25,901 through 27,100	70
27,101 through 28,300	55
28,301 through 29,500	40
29,501 through 30,700	25
30,701 and over	0

(3) For 2000, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

<u>Column A</u> <u>Household Income</u> <u>In Dollars</u>	<u>Column B</u> <u>Percentage</u> <u>Of Relief</u>
0 through 21,600	100
21,601 through 22,600	85
22,601 through 23,600	70
23,601 through 24,600	55
24,601 through 25,600	40
25,601 through 26,600	25
26,601 and over	0

(4) For exemption applications filed in calendar year 2001 and each year thereafter, the income eligibility amounts in subsections (2) and (3) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 2000. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

Sec. 3. Section 77-3509, Revised Statutes Supplement, 1998, is amended to read:

77-3509. (1) All homesteads in this state shall be assessed for taxation the same as other property, except that there shall be exempt from taxation, on any homestead of (a) any veteran as defined in section 80-401.01 drawing compensation from the United States Department of Veterans Affairs because of one hundred percent disability and not eligible for total exemption under sections 77-3526 to 77-3528 or the unremarried widow or widower of such veteran, (b) the unremarried widow or widower of any veteran, including those not listed in section 80-401.01, who died because of a service-connected disability, (c) the unremarried widow or widower of a serviceman or servicewoman who died while on active duty during the dates described in section 80-401.01, or (d) the unremarried widow or widower of a serviceman or servicewoman, including those not listed in section 80-401.01, whose death while on active duty was service-connected, a percentage of the exempt amount as limited by section 77-3506.03.

The exemption shall be based on the household income of a claimant pursuant to subsections (2) through ~~(6)~~ (4) of this section. Application for exemption under this section shall include certification of the status set forth in this section from the United States Department of Veterans Affairs.

~~(2) For 1996, for a married claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.~~

<u>Column A</u> <u>Household Income</u> <u>In Dollars</u>	<u>Column B</u> <u>Percentage</u> <u>Of Relief</u>
0 through 20,000	100
20,001 through 21,000	85
21,001 through 22,000	70
22,001 through 23,000	55
23,001 through 24,000	40
24,001 through 25,000	25
25,001 and over	0

~~(3) For 1996, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant is eligible shall be the percentage in Column B which corresponds with the~~

claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 17,500	100
17,501 through 18,300	85
18,301 through 19,100	70
19,101 through 19,900	55
19,901 through 20,700	40
20,701 through 21,500	25
21,501 and over	0

(4) For 1997, for a married or closely related claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 21,200	100
21,201 through 22,200	85
22,201 through 23,200	70
23,201 through 24,200	55
24,201 through 25,200	40
25,201 through 26,200	25
26,201 and over	0

(5) For 1997, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 18,600	100
18,601 through 19,400	85
19,401 through 20,200	70
20,201 through 21,000	55
21,001 through 21,800	40
21,801 through 22,600	25
22,601 and over	0

(6) For exemption applications filed in calendar year 1998 and each year thereafter, the income eligibility amounts in subsections (4) and (5) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 1997. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

(2) For 2000, for a married or closely related claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 24,700	100
24,701 through 25,900	85
25,901 through 27,100	70
27,101 through 28,300	55
28,301 through 29,500	40
29,501 through 30,700	25
30,701 and over	0

(3) For 2000, for a single claimant as described in subsection (1) of this section, the percentage of the exempt amount for which the claimant shall be eligible shall be the percentage in Column B which corresponds with the claimant's household income in Column A in the table found in this subsection.

Column A Household Income In Dollars	Column B Percentage Of Relief
0 through 21,600	100

<u>21,601 through 22,600</u>	<u>85</u>
<u>22,601 through 23,600</u>	<u>70</u>
<u>23,601 through 24,600</u>	<u>55</u>
<u>24,601 through 25,600</u>	<u>40</u>
<u>25,601 through 26,600</u>	<u>25</u>
<u>26,601 and over</u>	<u>0</u>

(4) For exemption applications filed in calendar year 2001 and each year thereafter, the income eligibility amounts in subsections (2) and (3) of this section shall be adjusted for inflation by the method provided in section 151 of the Internal Revenue Code. The income eligibility amounts shall be adjusted for cumulative inflation since 2000. If any amount is not a multiple of one hundred dollars, the amount shall be rounded to the next lower multiple of one hundred dollars.

Sec. 4. Section 77-3513, Revised Statutes Supplement, 1998, is amended to read:

77-3513. (1) ~~For tax year 1996 and subsequent tax years, except~~ ~~Except~~ as required by section 77-3514, if an owner is granted a homestead exemption as provided in section 77-3507 or 77-3509 or subdivision (1)(b) ~~or~~ (c) ~~, (d), or (e)~~ of section 77-3508, no reapplication need be filed for succeeding years, in which case the county assessor and Tax Commissioner shall determine whether the claimant qualifies for the homestead exemption in such succeeding years as otherwise provided in sections 77-3501 to 77-3529 as though a claim were made.

(2) It shall be the duty of each claimant who wants the homestead exemption provided in subdivision (1)(a) of section 77-3508 to file an application therefor with the county assessor on or before June 30 of each year. Failure to do so shall constitute a waiver of the exemption for such year, except that the county board of the county in which the homestead is located may, by majority vote, extend the deadline to on or before July 20 of each year. An extension shall not be granted to an applicant who received an extension in the immediately preceding year.

Sec. 5. This act becomes operative on January 1, 2000.

Sec. 6. Original sections 77-3507 to 77-3509 and 77-3513, Revised Statutes Supplement, 1998, are repealed.