

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 147

FINAL READING

Introduced by Kauth, 31.

Read first time January 09, 2023

Committee: Revenue

1 A BILL FOR AN ACT relating to property tax refunds; to amend section
2 77-1736.06, Revised Statutes Supplement, 2023; to change provisions
3 relating to the notification of political subdivisions; and to
4 repeal the original section.

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

1 Section 1. Section 77-1736.06, Revised Statutes Supplement, 2023, is
2 amended to read:

3 77-1736.06 The following procedure shall apply when making a
4 property tax refund:

5 (1)(a) ~~(1)~~ Within thirty days of the entry of a final nonappealable
6 order, an unprotested determination of a county assessor, an unappealed
7 decision of a county board of equalization, or other final action
8 requiring a refund of real or personal property taxes paid or, for
9 property valued by the state, within thirty days of a recertification of
10 value by the Property Tax Administrator pursuant to section 77-1775 or
11 77-1775.01, the county assessor shall determine the amount of refund due
12 the person entitled to the refund, certify that amount to the county
13 treasurer, and send a copy of such certification to the person entitled
14 to the refund.

15 (b) Within thirty days from the date the county assessor certifies
16 the amount of the refund, the county treasurer shall notify each
17 political subdivision, including any school district receiving a
18 distribution pursuant to section 79-1073 and any land bank receiving real
19 property taxes pursuant to subdivision (3)(a) of section 18-3411, of its
20 respective share of the refund, except that for any political subdivision
21 whose share of the refund is two hundred dollars or less, the county
22 board may waive this notice requirement, and that for any political
23 subdivision whose share of the refund is one thousand dollars or less,
24 the governing body of the political subdivision may waive this notice
25 requirement by notifying the county treasurer in writing. Notification
26 shall be by (i) first-class mail, postage prepaid, to the last-known
27 address of record of the political subdivision or (ii) electronic means
28 if requested in writing by the governing body of the political
29 subdivision.

30 (c) The county treasurer shall pay the refund from funds in his or
31 her possession belonging to any political subdivision, including any

1 school district receiving a distribution pursuant to section 79-1073 and
2 any land bank receiving real property taxes pursuant to subdivision (3)
3 (a) of section 18-3411, which received any part of the tax or penalty
4 being refunded. If sufficient funds are not available, the county
5 treasurer shall register the refund or portion thereof which remains
6 unpaid as a claim against such political subdivision and shall issue the
7 person entitled to the refund a receipt for the registration of the
8 claim;

9 (2) The refund of a tax or penalty or the receipt for the
10 registration of a claim made or issued pursuant to this section shall be
11 satisfied in full as soon as practicable. If a receipt for the
12 registration of a claim is given:

13 (a) The governing body of the political subdivision shall make
14 provisions in its next budget for the amount of such claim; or

15 (b) If mutually agreed to by the governing body of the political
16 subdivision and the person holding the receipt, such receipt shall be
17 applied to satisfy any tax levied or assessed by that political
18 subdivision which becomes due from the person holding the receipt until
19 the claim is satisfied in full;

20 (3) The county treasurer shall mail the refund or the receipt by
21 first-class mail, postage prepaid, to the last-known address of the
22 person entitled thereto. Multiple refunds to the same person may be
23 combined into one refund. If a refund is not claimed by June 1 of the
24 year following the year of mailing, the refund shall be canceled and the
25 resultant amount credited to the various funds originally charged;

26 (4) When the refund involves property valued by the state, the Tax
27 Commissioner shall be authorized to negotiate a settlement of the amount
28 of the refund or claim due pursuant to this section on behalf of the
29 political subdivision from which such refund or claim is due. Any
30 political subdivision which does not agree with the settlement terms as
31 negotiated may reject such terms, and the refund or claim due from the

1 political subdivision then shall be satisfied as set forth in this
2 section as if no such negotiation had occurred;

3 (5) In the event that the Legislature appropriates state funds to be
4 disbursed for the purposes of satisfying all or any portion of any refund
5 or claim, the Tax Commissioner shall order the county treasurer to
6 disburse such refund amounts directly to the persons entitled to the
7 refund in partial or total satisfaction of such persons' claims. The
8 county treasurer shall disburse such amounts within forty-five days after
9 receipt thereof;

10 (6) If all or any portion of the refund is reduced by way of
11 settlement or forgiveness by the person entitled to the refund, the
12 proportionate amount of the refund that was paid by an appropriation of
13 state funds shall be reimbursed by the county treasurer to the State
14 Treasurer within forty-five days after receipt of the settlement
15 agreement or receipt of the forgiven refund. The amount so reimbursed
16 shall be credited to the General Fund; and

17 (7) For any refund or claim due under this section, interest shall
18 accrue on the unpaid balance at the rate of fourteen percent beginning
19 thirty days after the date the county assessor certifies the amount of
20 refund based upon the final nonappealable order or other action approving
21 the refund.

22 Sec. 2. Original section 77-1736.06, Revised Statutes Supplement,
23 2023, is repealed.