

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 750**

Introduced by Albrecht, 17; at the request of the Governor.

Read first time January 18, 2023

Committee: Revenue

- 1 A BILL FOR AN ACT relating to property taxes; to amend section 77-201,
- 2 Revised Statutes Cumulative Supplement, 2022; to change provisions
- 3 relating to the valuation of agricultural land and horticultural
- 4 land; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-201, Revised Statutes Cumulative Supplement,  
2 2022, 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 seventy-five  
10 percent of its actual value, except that for school district taxes levied  
11 to pay the principal and interest on bonds that are approved by a vote of  
12 the people on or after January 1, 2022, such land shall be valued at  
13 fifty percent of its actual value.

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

25 (4) Historically significant real property which meets the  
26 qualifications for historic rehabilitation valuation under sections  
27 77-1385 to 77-1394 shall be valued for taxation as provided in such  
28 sections.

29 (5) Tangible personal property, not including motor vehicles,  
30 trailers, and semitrailers registered for operation on the highways of  
31 this state, shall constitute a separate and distinct class of property

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

21       Sec. 2.     Original section 77-201, Revised Statutes Cumulative  
22 Supplement, 2022, is repealed.