

AMENDMENTS TO LB 348

Introduced by Revenue

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Section 77-1333, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 77-1333 (1) The Legislature finds that:

6 (a) The provision of safe, decent, and affordable housing
7 to all residents of the State of Nebraska is a matter of public
8 concern and represents a legitimate and compelling state need,
9 affecting the general welfare of all residents;

10 (b) Rent-restricted housing projects constructed and
11 financed, in whole or in part, with an allocation of federal
12 low-income housing tax credits under section 42 of the Internal
13 Revenue Code effectively provide safe, decent, and affordable
14 housing for residents of Nebraska;

15 (c) Such projects are restricted by federal law as to the
16 rents paid by the tenants thereof; and

17 (d) This section is intended to further the provision of
18 safe, decent, and affordable housing to all residents of Nebraska
19 and to maximize the benefits available under section 42 of the
20 Internal Revenue Code.

21 ~~(1)~~ (2) The county assessor shall ~~perform~~ utilize
22 an income-approach calculation for all rent-restricted housing
23 projects constructed to allow an allocation of low-income housing

1 tax credits under section 42 of the Internal Revenue Code
2 and approved by the Nebraska Investment Finance Authority when
3 ~~considering~~ determining the assessed valuation to place on the
4 property for each assessment year. The income-approach calculation
5 shall be consistent with any rules and regulations adopted
6 and promulgated by the Tax Commissioner and shall comply with
7 professionally accepted mass appraisal techniques. Any low-income
8 housing tax credits authorized under section 42 of the Internal
9 Revenue Code that were granted to owners of the project shall
10 not be considered income for purposes of the calculation but ~~may~~
11 shall be considered in determining the capitalization rate to be
12 used when capitalizing the income stream. ~~The county assessor,~~
13 ~~in determining the actual value of any specific property,~~ may
14 consider other methods of determining value that are consistent
15 with professionally accepted mass appraisal methods described
16 in section 77-112. Each county assessor, when utilizing the
17 income-approach calculation, shall utilize the capitalization rate
18 provided by the Nebraska Investment Finance Authority. The Nebraska
19 Investment Finance Authority shall calculate the capitalization
20 rate on an annual basis and provide the same to each county
21 assessor. Such capitalization rate shall be a market-derived
22 capitalization rate which shall take into account the value of any
23 low-income housing tax credits and shall be calculated using any
24 generally accepted technique used to derive capitalization rates.
25 Once a market-derived capitalization rate has been determined, the
26 property tax levy applicable to the property shall be added to the
27 market-derived capitalization rate. The Nebraska Investment Finance

1 Authority shall, if necessary, calculate a separate capitalization
2 rate for each county or group of counties to take into account the
3 unique market conditions existing therein.

4 ~~(2)~~ (3) The owner of a rent-restricted housing project
5 shall file a statement with the county assessor on or before
6 October 1 of each year that details income and expense data for the
7 prior year, a description of any land-use restrictions, and such
8 other information as the county assessor may require.

9 Sec. 2. Original section 77-1333, Reissue Revised
10 Statutes of Nebraska, is repealed.