

AMENDMENTS TO LB414

Introduced by Kolterman, 24.

1 1. Insert the following new sections:

2 Sec. 2. Section 77-201, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 77-201 (1) Except as provided in subsections (2) through (4) of this
5 section, all real property in this state, not expressly exempt therefrom,
6 shall be subject to taxation and shall be valued at its actual value.

7 (2) Agricultural land and horticultural land as defined in section
8 77-1359 shall constitute a separate and distinct class of property for
9 purposes of property taxation, shall be subject to taxation, unless
10 expressly exempt from taxation, and shall be valued at sixty-five
11 ~~seventy-five~~ percent of its actual value.

12 (3) Agricultural land and horticultural land actively devoted to
13 agricultural or horticultural purposes which has value for purposes other
14 than agricultural or horticultural uses and which meets the
15 qualifications for special valuation under section 77-1344 shall
16 constitute a separate and distinct class of property for purposes of
17 property taxation, shall be subject to taxation, and shall be valued for
18 taxation at sixty-five ~~seventy-five~~ percent of its special value as
19 defined in section 77-1343.

20 (4) Historically significant real property which meets the
21 qualifications for historic rehabilitation valuation under sections
22 77-1385 to 77-1394 shall be valued for taxation as provided in such
23 sections.

24 (5) Tangible personal property, not including motor vehicles
25 registered for operation on the highways of this state, shall constitute
26 a separate and distinct class of property for purposes of property
27 taxation, shall be subject to taxation, unless expressly exempt from

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

20 Sec. 4. Section 77-5023, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 77-5023 (1) Pursuant to section 77-5022, the commission shall have
23 the power to increase or decrease the value of a class or subclass of
24 real property in any county or taxing authority or of real property
25 valued by the state so that all classes or subclasses of real property in
26 all counties fall within an acceptable range.

27 (2) An acceptable range is the percentage of variation from a
28 standard for valuation as measured by an established indicator of central
29 tendency of assessment. Acceptable ranges are: (a) For agricultural land
30 and horticultural land as defined in section 77-1359, fifty-nine to
31 sixty-five ~~sixty-nine to seventy-five~~ percent of actual value; (b) for

1 lands receiving special valuation, fifty-nine to sixty-five ~~sixty-nine to~~
2 ~~seventy-five~~ percent of special valuation as defined in section 77-1343;
3 and (c) for all other real property, ninety-two to one hundred percent of
4 actual value.

5 (3) Any increase or decrease shall cause the level of value
6 determined by the commission to be at the midpoint of the applicable
7 acceptable range.

8 (4) Any decrease or increase to a subclass of property shall also
9 cause the level of value determined by the commission for the class from
10 which the subclass is drawn to be within the applicable acceptable range.

11 (5) Whether or not the level of value determined by the commission
12 falls within an acceptable range or at the midpoint of an acceptable
13 range may be determined to a reasonable degree of certainty relying upon
14 generally accepted mass appraisal techniques.

15 Sec. 5. Section 79-1016, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 79-1016 (1) On or before August 25, the county assessor shall
18 certify to the Property Tax Administrator the total taxable value by
19 school district in the county for the current assessment year on forms
20 prescribed by the Tax Commissioner. The county assessor may amend the
21 filing for changes made to the taxable valuation of the school district
22 in the county if corrections or errors on the original certification are
23 discovered. Amendments shall be certified to the Property Tax
24 Administrator on or before September 30.

25 (2) On or before October 10, the Property Tax Administrator shall
26 compute and certify to the State Department of Education the adjusted
27 valuation for the current assessment year for each class of property in
28 each school district and each local system. The adjusted valuation of
29 property for each school district and each local system, for purposes of
30 determining state aid pursuant to the Tax Equity and Educational
31 Opportunities Support Act, shall reflect as nearly as possible state aid

1 value as defined in subsection (3) of this section. The Property Tax
2 Administrator shall notify each school district and each local system of
3 its adjusted valuation for the current assessment year by class of
4 property on or before October 10. Establishment of the adjusted valuation
5 shall be based on the taxable value certified by the county assessor for
6 each school district in the county adjusted by the determination of the
7 level of value for each school district from an analysis of the
8 comprehensive assessment ratio study or other studies developed by the
9 Property Tax Administrator, in compliance with professionally accepted
10 mass appraisal techniques, as required by section 77-1327. The Tax
11 Commissioner shall adopt and promulgate rules and regulations setting
12 forth standards for the determination of level of value for state aid
13 purposes.

14 (3) For purposes of this section, state aid value means:

15 (a) For real property other than agricultural and horticultural
16 land, ninety-six percent of actual value;

17 (b) For agricultural and horticultural land, sixty-two ~~seventy-two~~
18 percent of actual value as provided in sections 77-1359 and ~~to~~ 77-1363.
19 For agricultural and horticultural land that receives special valuation
20 pursuant to section 77-1344, sixty-two ~~seventy-two~~ percent of special
21 valuation as defined in section 77-1343; and

22 (c) For personal property, the net book value as defined in section
23 77-120.

24 (4) On or before November 10, any local system may file with the Tax
25 Commissioner written objections to the adjusted valuations prepared by
26 the Property Tax Administrator, stating the reasons why such adjusted
27 valuations are not the valuations required by subsection (3) of this
28 section. The Tax Commissioner shall fix a time for a hearing. Either
29 party shall be permitted to introduce any evidence in reference thereto.
30 On or before January 1, the Tax Commissioner shall enter a written order
31 modifying or declining to modify, in whole or in part, the adjusted

1 valuations and shall certify the order to the State Department of
2 Education. Modification by the Tax Commissioner shall be based upon the
3 evidence introduced at hearing and shall not be limited to the
4 modification requested in the written objections or at hearing. A copy of
5 the written order shall be mailed to the local system within seven days
6 after the date of the order. The written order of the Tax Commissioner
7 may be appealed within thirty days after the date of the order to the Tax
8 Equalization and Review Commission in accordance with section 77-5013.

9 (5) On or before November 10, any local system or county official
10 may file with the Tax Commissioner a written request for a nonappealable
11 correction of the adjusted valuation due to clerical error as defined in
12 section 77-128 or, for agricultural and horticultural land, assessed
13 value changes by reason of land qualified or disqualified for special use
14 valuation pursuant to sections 77-1343 to 77-1347.01. On or before the
15 following January 1, the Tax Commissioner shall approve or deny the
16 request and, if approved, certify the corrected adjusted valuations
17 resulting from such action to the State Department of Education.

18 (6) On or before May 31 of the year following the certification of
19 adjusted valuation pursuant to subsection (2) of this section, any local
20 system or county official may file with the Tax Commissioner a written
21 request for a nonappealable correction of the adjusted valuation due to
22 changes to the tax list that change the assessed value of taxable
23 property. Upon the filing of the written request, the Tax Commissioner
24 shall require the county assessor to recertify the taxable valuation by
25 school district in the county on forms prescribed by the Tax
26 Commissioner. The recertified valuation shall be the valuation that was
27 certified on the tax list, pursuant to section 77-1613, increased or
28 decreased by changes to the tax list that change the assessed value of
29 taxable property in the school district in the county in the prior
30 assessment year. On or before the following July 31, the Tax Commissioner
31 shall approve or deny the request and, if approved, certify the corrected

1 adjusted valuations resulting from such action to the State Department of
2 Education.

3 (7) No injunction shall be granted restraining the distribution of
4 state aid based upon the adjusted valuations pursuant to this section.

5 (8) A school district whose state aid is to be calculated pursuant
6 to subsection (5) of this section and whose state aid payment is
7 postponed as a result of failure to calculate state aid pursuant to such
8 subsection may apply to the state board for lump-sum payment of such
9 postponed state aid. Such application may be for any amount up to one
10 hundred percent of the postponed state aid. The state board may grant the
11 entire amount applied for or any portion of such amount. The state board
12 shall notify the Director of Administrative Services of the amount of
13 funds to be paid in a lump sum and the reduced amount of the monthly
14 payments. The Director of Administrative Services shall, at the time of
15 the next state aid payment made pursuant to section 79-1022, draw a
16 warrant for the lump-sum amount from appropriated funds and forward such
17 warrant to the district.

18 2. Renumber the remaining sections and correct the repealer
19 accordingly.