

ONE HUNDRED SEVENTH LEGISLATURE - SECOND SESSION - 2022
COMMITTEE STATEMENT
LB1080

Hearing Date: Thursday February 24, 2022
Committee On: Revenue
Introducer: Sanders
One Liner: Change homestead exemption provisions relating to qualifications, application requirements, and penalties

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Pahls, Linehan, Lindstrom, Friesen, Flood, Briese, Bostar, Albrecht

Nay:

Absent:

Present Not Voting:

Oral Testimony:

Proponents:

Senator Rita Sanders
Angi Burmeister
Matthew MacDonald

Representing:

Introducer
Sarpy County Board
Sarpy County Veterans Office

Opponents:

Representing:

Neutral:

Jon Cannon

Representing:

NACO

Summary of purpose and/or changes:

LB1080 will allow an un-remarried surviving spouse of a veteran who was discharged or otherwise separated with a characterization of honorable or general who was drawing compensation from the United States Department of Veterans Affairs because of a 100% service-connected permanent disability or a surviving spouse who remarries after the age of 57 a 100% homestead exemption.

The bill adds a new definition for a veteran to be a veteran who was discharged or otherwise separated with a characterization of honorable or general (under honorable conditions), who is drawing compensation from the United States Department of Veterans Affairs because of a 100% service-connected temporary disability, and who is not eligible for total exemption under sections 77-3526 to 77-3528, an un-remarried spouse of such a veteran, or a surviving spouse of such a veteran who remarries after the age of fifty-seven years.

A veteran with a 100% service-connected permanent disability shall only be required to submit an application for a homestead exemption once every 5 years. The application shall include certification of the 100% service-connected

permanent disability.

All other veterans, spouses of veterans or un-remarried spouses of veterans will continue to submit annual applications for homestead exemption. The certificate of disability status shall only be required once every 5 years.

Any person benefiting from a claim for a homestead exemption based on the veteran's disability who fails to notify the county assessor of a change in status of the veteran shall be assessed an amount equal to the amount of taxes lawfully due but not paid by reason of such unlawful and improper acceptance of homestead exemption and shall be a lien on such property until paid. A change in status may include a change in rating a transfer of the property, or the death of the veteran.

A penalty of 20% of the tax due on the homestead for each taxing period shall be applied. Interest at the rate of 14% shall be assessed upon such penalty from the date of delinquency of the tax until paid. No penalty, excluding interest, shall be charged in excess of \$1,000 per year.

The bill has an operative date of January 1, 2023.

Explanation of amendments:

The amendment states that if a 100% service-related permanently disabled veteran dies during the five-year homestead period the surviving spouse does not need to refile until the five-year period is up.

The notice sent by the county assessor to a homestead claimant shall only be for those taxpayers that are required to refile in the current year.

The amendment strengthens the penalty provision for failure to comply with the homestead law.

Lou Ann Linehan, Chairperson