

AMENDMENTS TO LB61

Introduced by Geist, 25.

1           1. Insert the following new section:

2           Sec. 6. Section 77-202, Revised Statutes Cumulative Supplement,  
3           2022, is amended to read:

4           77-202 (1) The following property shall be exempt from property  
5           taxes:

6           (a) Property of the state and its governmental subdivisions to the  
7           extent used or being developed for use by the state or governmental  
8           subdivision for a public purpose. For purposes of this subdivision:

9           (i) Property of the state and its governmental subdivisions means

10          (A) property held in fee title by the state or a governmental subdivision

11          or (B) property beneficially owned by the state or a governmental

12          subdivision in that it is used for a public purpose and is being acquired

13          under a lease-purchase agreement, financing lease, or other instrument

14          which provides for transfer of legal title to the property to the state

15          or a governmental subdivision upon payment of all amounts due thereunder.

16          If the property to be beneficially owned by a governmental subdivision

17          has a total acquisition cost that exceeds the threshold amount or will be

18          used as the site of a public building with a total estimated construction

19          cost that exceeds the threshold amount, then such property shall qualify

20          for an exemption under this section only if the question of acquiring

21          such property or constructing such public building has been submitted at

22          a primary, general, or special election held within the governmental

23          subdivision and has been approved by the voters of the governmental

24          subdivision. For purposes of this subdivision, threshold amount means the

25          greater of fifty thousand dollars or six-tenths of one percent of the

26          total actual value of real and personal property of the governmental

27          subdivision that will beneficially own the property as of the end of the

1 governmental subdivision's prior fiscal year; and

2 (ii) Public purpose means use of the property (A) to provide public  
3 services with or without cost to the recipient, including the general  
4 operation of government, public education, public safety, transportation,  
5 public works, civil and criminal justice, public health and welfare,  
6 developments by a public housing authority, parks, culture, recreation,  
7 community development, and cemetery purposes, or (B) to carry out the  
8 duties and responsibilities conferred by law with or without  
9 consideration. Public purpose does not include the leasing of property to  
10 a private party unless the lease of the property is at fair market value  
11 for a public purpose. Public purpose does not include the leasing or  
12 licensing of dark fiber and related infrastructure by an agency or  
13 political subdivision of the state to a private telecommunications  
14 carrier. Leases of property by a public housing authority to low-income  
15 individuals as a place of residence are for the authority's public  
16 purpose;

17 (b) Unleased property of the state or its governmental subdivisions  
18 which is not being used or developed for use for a public purpose but  
19 upon which a payment in lieu of taxes is paid for public safety, rescue,  
20 and emergency services and road or street construction or maintenance  
21 services to all governmental units providing such services to the  
22 property. Except as provided in Article VIII, section 11, of the  
23 Constitution of Nebraska, the payment in lieu of taxes shall be based on  
24 the proportionate share of the cost of providing public safety, rescue,  
25 or emergency services and road or street construction or maintenance  
26 services unless a general policy is adopted by the governing body of the  
27 governmental subdivision providing such services which provides for a  
28 different method of determining the amount of the payment in lieu of  
29 taxes. The governing body may adopt a general policy by ordinance or  
30 resolution for determining the amount of payment in lieu of taxes by  
31 majority vote after a hearing on the ordinance or resolution. Such

1 ordinance or resolution shall nevertheless result in an equitable  
2 contribution for the cost of providing such services to the exempt  
3 property;

4 (c) Property owned by and used exclusively for agricultural and  
5 horticultural societies;

6 (d) Property owned by educational, religious, charitable, or  
7 cemetery organizations, or any organization for the exclusive benefit of  
8 any such educational, religious, charitable, or cemetery organization,  
9 and used exclusively for educational, religious, charitable, or cemetery  
10 purposes, when such property is not (i) owned or used for financial gain  
11 or profit to either the owner or user, (ii) used for the sale of  
12 alcoholic liquors for more than twenty hours per week, or (iii) owned or  
13 used by an organization which discriminates in membership or employment  
14 based on race, color, or national origin. For purposes of this  
15 subdivision, educational organization means (A) an institution operated  
16 exclusively for the purpose of offering regular courses with systematic  
17 instruction in academic, vocational, or technical subjects or assisting  
18 students through services relating to the origination, processing, or  
19 guarantying of federally reinsured student loans for higher education or  
20 (B) a museum or historical society operated exclusively for the benefit  
21 and education of the public. For purposes of this subdivision, charitable  
22 organization includes an organization operated exclusively for the  
23 purpose of the mental, social, or physical benefit of the public or an  
24 indefinite number of persons and a fraternal benefit society organized  
25 and licensed under sections 44-1072 to 44-10,109; and

26 (e) Household goods and personal effects not owned or used for  
27 financial gain or profit to either the owner or user.

28 (2) The increased value of land by reason of shade and ornamental  
29 trees planted along the highway shall not be taken into account in the  
30 valuation of land.

31 (3) Tangible personal property which is not depreciable tangible

1 personal property as defined in section 77-119 shall be exempt from  
2 property tax.

3 (4) Motor vehicles, trailers, and semitrailers required to be  
4 registered for operation on the highways of this state shall be exempt  
5 from payment of property taxes.

6 (5) Business and agricultural inventory shall be exempt from the  
7 personal property tax. For purposes of this subsection, business  
8 inventory includes personal property owned for purposes of leasing or  
9 renting such property to others for financial gain only if the personal  
10 property is of a type which in the ordinary course of business is leased  
11 or rented thirty days or less and may be returned at the option of the  
12 lessee or renter at any time and the personal property is of a type which  
13 would be considered household goods or personal effects if owned by an  
14 individual. All other personal property owned for purposes of leasing or  
15 renting such property to others for financial gain shall not be  
16 considered business inventory.

17 (6) Any personal property exempt pursuant to subsection (2) of  
18 section 77-4105 or section 77-5209.02 shall be exempt from the personal  
19 property tax.

20 (7) Livestock shall be exempt from the personal property tax.

21 (8) Any personal property exempt pursuant to the Nebraska Advantage  
22 Act or the Imagine Nebraska Act shall be exempt from the personal  
23 property tax.

24 (9) Any depreciable tangible personal property used directly in the  
25 generation of electricity using wind as the fuel source shall be exempt  
26 from the property tax levied on depreciable tangible personal property.  
27 Any depreciable tangible personal property used directly in the  
28 generation of electricity using solar, biomass, or landfill gas as the  
29 fuel source shall be exempt from the property tax levied on depreciable  
30 tangible personal property if such depreciable tangible personal property  
31 was installed on or after January 1, 2016, and has a nameplate capacity

1 of one hundred kilowatts or more. Depreciable tangible personal property  
2 used directly in the generation of electricity using wind, solar,  
3 biomass, or landfill gas as the fuel source includes, but is not limited  
4 to, wind turbines, rotors and blades, towers, solar panels, trackers,  
5 generating equipment, transmission components, substations, supporting  
6 structures or racks, inverters, and other system components such as  
7 wiring, control systems, switchgears, and generator step-up transformers.

8 (10) Any tangible personal property that is acquired by a person  
9 operating a data center located in this state, that is assembled,  
10 engineered, processed, fabricated, manufactured into, attached to, or  
11 incorporated into other tangible personal property, both in component  
12 form or that of an assembled product, for the purpose of subsequent use  
13 at a physical location outside this state by the person operating a data  
14 center shall be exempt from the personal property tax. Such exemption  
15 extends to keeping, retaining, or exercising any right or power over  
16 tangible personal property in this state for the purpose of subsequently  
17 transporting it outside this state for use thereafter outside this state.  
18 For purposes of this subsection, data center means computers, supporting  
19 equipment, and other organized assembly of hardware or software that are  
20 designed to centralize the storage, management, or dissemination of data  
21 and information, environmentally controlled structures or facilities or  
22 interrelated structures or facilities that provide the infrastructure for  
23 housing the equipment, such as raised flooring, electricity supply,  
24 communication and data lines, Internet access, cooling, security, and  
25 fire suppression, and any building housing the foregoing.

26 (11) For tax years prior to tax year 2020, each person who owns  
27 property required to be reported to the county assessor under section  
28 77-1201 shall be allowed an exemption amount as provided in the Personal  
29 Property Tax Relief Act. For tax years prior to tax year 2020, each  
30 person who owns property required to be valued by the state as provided  
31 in section 77-601, 77-682, 77-801, or 77-1248 shall be allowed a

- 1 compensating exemption factor as provided in the Personal Property Tax
- 2 Relief Act.
- 3       2. Renumber the remaining sections and correct the repealer
- 4 accordingly.