

**One hundredth Legislature
First Session
Legislation Passed in 2007**

LB 145. Pertains to homestead exemptions and takes effect on September 1, 2007.

Section 1. Amends section 77-3510 and requires the Tax Commissioner to provide the county assessor with printed homestead exemption printed claim forms and address lists of the applicants for the prior year.

Sections 2 and 3. Amends sections 77-3513 and 77-3514 and requires the county assessor to mail a notice for homestead exemption to all claimants who received a homestead exemption in the previous year. The assessor is not required to mail notice if the claimant has already filed for the current year or the assessor believes that there has been a change in the claimant's qualifications.

Section 4. Repealer.

LB 166. Is the Department of Property Assessment & Taxation's cleanup legislation and contains the emergency clause. This legislation was approved by the governor on March 7, 2007 and takes effect March 8, 2007.

Section 1. Amends section 60-147 and provides that the Mobile Home Transfer Statement (521MH) is no longer a four part form.

Section 2. Amends section 72-258.03 and changes the factor for figuring the actual value of agricultural land belonging to Educational Lands and Funds from 1.25 hundredths to 1.33 hundredths. This was changed because agricultural and horticultural land is now assessed at 75% of actual value instead of 80% of actual value.

Section 3. Amends section 77-201 to change the recapture value from actual value to 75% of actual value. **The Property Tax Administrator is recommending that any agricultural land and horticultural land that becomes disqualified from receiving the special valuation at anytime in 2007, be recaptured at 75% of its actual value. This is applicable only in situations where disqualification from special value is for a reason other than change in status as a result of LB 808 from the 2006 session.**

Section 4. Amends section 77-202.03 changes the exemption application date from December 1, to November 15 for property that was receiving an exemption before the sale and continues to qualify for exemption after the sale. This was amended because some county boards of equalization only meet after the 15th of the month.

Section 5. Amends section 77-1233.04 to provide that the assessor has the power to change a reported valuation on a personal property return to net book value. This clarifies prior law.

Section 6. Amends section 77-1344 and clarifies that if agricultural land and horticultural land becomes disqualified from receiving the special value at any time during the year, it is to be valued at its recapture value. **This is applicable only in situations where disqualification from special value is for a reason other than change in status as a result of LB 808 from the 2006 session.**

Recapture value will only have to be determined through tax year 2008.

Section 7. Amends section 77-1347.01 to allow the county assessor to disqualify agricultural and horticultural land from receiving special value at any time during the year. Also clarifies the language in section 77-1347.01 by repealing unnecessary dates and procedures that the county assessor and county board of equalization were required to follow and implement, pursuant to LB 808 from the 2006 session.

Section 8. Amends section 77-1348 to provide that for tax years 2007 and 2008, when agricultural and horticultural land that has been receiving special valuation becomes disqualified it will be subject to taxation at its recapture value (seventy-five percent of its actual value) for the year it became disqualified.

All parcels that were disqualified on January 1, because of the change in the definition of agricultural or horticultural land because of LB 808 from the 2006 session, shall be subject to taxation at their actual value for the year in which they became disqualified. No additional taxes will be recaptured for any preceding years when the land became disqualified because of the change in the definition of agricultural and horticultural land pursuant to LB 808 from the 2006 session.

Section 8 also provides that if land becomes disqualified in 2007 additional taxes will be recaptured at eighty percent of the actual value for the two preceding years (2005 and 2006) or less, if the land was receiving the special value for less than those two years. When land becomes disqualified in 2008 additional taxes will be recaptured at seventy-five percent of the actual value for the preceding year (2007), and repeals the July 25 disqualification date and procedures for the implementation of the recapture of taxes and the collection of these taxes that were implemented, pursuant to LB 808 from the 2006 session.

Section 9. Amends section 77-1355 to change the membership on the Greenbelt Advisory Committee.

The following members are removed: local planning and zoning official; elected county official who has served on an agricultural and horticultural land valuation board; and, the county attorney.

The new member will be an elected county commissioner or supervisor.

Section 10. Amends section 77-1613.02 to allow for computer generated tax list corrections rather than hand written in hard bound books.

Section 11. Amends section 77-5018 for compliance with section 10 of this legislation.

Sections 12 and 13. Repealers.

Section 14. Emergency clause.

LB 219. Pertains to freeholder petitions, contains the emergency clause and was approved by the Governor on May 16, 2007 and takes effect May 17, 2007.

Section 1. Requires that any freeholder of land may file a petition on or before July 15 for 2007 and on or before June 1 for all other years with a board consisting of the county assessor, county clerk and county treasurer to have his or her land situated in a Class II or III school district attached to an accredited district which is contiguous to such land.

The board shall hold a hearing on petitions on or before November 1 following the filing and shall either approve or disapprove the petition. If approved by the board, the transfer shall take place on the following January 1.

Section 2. Repealer.

Section 3. Emergency Clause.

LB 334. Pertains to the Merger of the Department of Property Assessment & Taxation into the Department of Revenue, contains the emergency clause, was approved by the Governor on May 24, 2007, takes effect on May 25, 2007 and becomes operative on July 1, 2007.

Sections 1, 3, 4 and 5. Amends various sections of law to require the county treasurer to pay over to political subdivisions taxes collected for the political subdivisions on or before the fifteenth day of each month.

Sections 2 and 6 through 12. Amends various sections of law that influence the merger of the Department of Property Assessment & Taxation into the Department of Revenue.

Section 13. Amends section 77-103 to remove trade fixtures from the definition of real property.

Section 14. Amends Section 77-105 to define what is to be considered as trade fixtures and to also define trade fixtures as personal property for property tax purposes.

Sections 15 through 99. Amends various sections of law that influence the merger of the Department of Property Assessment & Taxation into the Department of Revenue.

Section 100. Is new law that requires the county assessor by March 19 of each year to inspect and review a portion of the real property parcels in his or her county for the purposes of achieving uniform and proportionate valuations and to make sure that the data on record reflects the property. The complete review and inspection of the real property parcels must be completed every six years.

Sections 101 through 105. Amends various sections of law that influence the merger of the Department of Property Assessment & Taxation into the Department of Revenue.

Section 106. Operative date.

Sections 107 and 108. Repealers.

Section 109. Emergency clause.

LB 367. Is the legislature's tax reduction legislation, contains the emergency clause was approved by the Governor on May 18, 2007, became effective on May 19, 2007 and became operative at various dates.

Sections 1 through 3. Operative date 5/19/2007. Establish the Property Tax Credit Act and create the Property Tax Credit Cash Fund. Requires that property tax relief will be given to the owners of real property in the form of a property tax credit against their real property taxes.

Section 4. Provides for property tax relief in the amounts of one hundred five million dollars for tax year 2007 and one hundred fifteen million dollars for tax year 2008.

To determine the amount of property tax credit, for each parcel, the county treasurer shall multiply the amount disbursed to the county by the State Treasurer by the percentage each parcel's valuation is to the total valuation of all parcels in the county. The amount so determined for each parcel shall be the property tax credit for the parcel and shall appear on the parcel's tax statement.

When the owner qualifies for the homestead exemption on his or her residence, he or she shall also qualify for relief under this act. The relief provided by the state for the homestead exemption shall be applied first to the tax liability on the parcel before the property tax credit pursuant to this act. If the amount of relief provided under the homestead exemption for the parcel is not sufficient to cover the tax liability, only the amount of the remaining liability can be deducted from the tax credit pursuant to this act. Any remaining unused tax credit after the tax liability has been satisfied shall be returned to the State Treasurer by the following July 1 of the year the funds were disbursed to the counties.

The amounts disbursed to the individual counties shall be determined by a percentage of what each individual county's real property valuation is to the total real property valuation of all counties in the state. The Property Tax Administrator shall make this determination by

September 15 each year and certify such amounts to the State Treasurer and to each county. The county treasurer after retaining one percent for costs shall distribute the remaining funds to each political subdivision in the same manner as the property taxes are distributed for that tax year.

Sections 5 through 25. Pertain to tax reductions to sales tax, estate tax and income tax, all of which are under the administration of the Department of Revenue.

Section 26. Operative dates.

Sections 27 through 31. Repealers.

Section 32. Emergency clause.