

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1012**

Introduced by La Grone, 49.

Read first time January 15, 2020

Committee:

- 1 A BILL FOR AN ACT relating to property taxes; to amend section 77-202.03,
- 2 Revised Statutes Supplement, 2019; to change provisions relating to
- 3 tax exemptions for property acquired by certain tax-exempt entities;
- 4 and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-202.03, Revised Statutes Supplement, 2019, is  
2 amended to read:

3 77-202.03 (1) A properly granted exemption of real or tangible  
4 personal property, except real property used for cemetery purposes,  
5 provided for in subdivisions (1)(c) and (d) of section 77-202 shall  
6 continue for a period of four years if the statement of reaffirmation of  
7 exemption required by subsection (2) of this section is filed when due.  
8 The four-year period shall begin with years evenly divisible by four.

9 (2) In each intervening year occurring between application years,  
10 the organization or society which filed the granted exemption application  
11 for the real or tangible personal property, except real property used for  
12 cemetery purposes, shall file a statement of reaffirmation of exemption  
13 with the county assessor on or before December 31 of the year preceding  
14 the year for which the exemption is sought, on forms prescribed by the  
15 Tax Commissioner, certifying that the ownership and use of the exempted  
16 property has not changed during the year. Any organization or society  
17 which misses the December 31 deadline for filing the statement of  
18 reaffirmation of exemption may file the statement of reaffirmation of  
19 exemption by June 30. Such filing shall maintain the tax-exempt status of  
20 the property without further action by the county and regardless of any  
21 previous action by the county board of equalization to deny the exemption  
22 due to late filing of the statement of reaffirmation of exemption. Upon  
23 any such late filing, the county assessor shall assess a penalty against  
24 the property of ten percent of the tax that would have been assessed had  
25 the statement of reaffirmation of exemption not been filed or one hundred  
26 dollars, whichever is less, for each calendar month or fraction thereof  
27 for which the filing of the statement of reaffirmation of exemption is  
28 late. The penalty shall be collected and distributed in the same manner  
29 as a tax on the property and interest shall be assessed at the rate  
30 specified in section 45-104.01, as such rate may from time to time be  
31 adjusted by the Legislature, from the date the tax would have been

1 delinquent until paid. The penalty shall also become a lien in the same  
2 manner as a tax pursuant to section 77-203.

3 (3)(a) If any organization or society seeks a tax exemption for any  
4 real or tangible personal property acquired on or after January 1 of any  
5 year or converted to exempt use on or after January 1 of any year, the  
6 organization or society shall make application for exemption on or before  
7 December 31 ~~July 1~~ of that year as provided in subsection (1) of section  
8 77-202.01. The procedure for reviewing the application shall be as in  
9 sections 77-202.01 to 77-202.05, except that the exempt use shall be  
10 determined as of the date of application and the review by the county  
11 board of equalization shall be completed as soon as practicable after  
12 receipt of the application ~~by August 15~~.

13 (b) If an organization as described in subdivision (1)(c) or (d) of  
14 section 77-202 purchases, between July 1 and the levy date, property that  
15 has been granted tax exemption and the property continues to be qualified  
16 for a property tax exemption, the purchaser shall on or before November  
17 15 make application for exemption as provided in section 77-202.01. The  
18 procedure for reviewing the application shall be as in sections 77-202.01  
19 to 77-202.05, and the review by the county board of equalization shall be  
20 completed by December 15.

21 (4) In any year, the county assessor or the county board of  
22 equalization may cause a review of any exemption to determine whether the  
23 exemption is proper. Such a review may be taken even if the ownership or  
24 use of the property has not changed from the date of the allowance of the  
25 exemption. If it is determined that a change in an exemption is  
26 warranted, the procedure for hearing set out in section 77-202.02 shall  
27 be followed, except that the published notice shall state that the list  
28 provided in the county assessor's office only includes those properties  
29 being reviewed. If an exemption is denied, the county board of  
30 equalization shall place the property on the tax rolls retroactive to  
31 January 1 of that year if on the date of the decision of the county board

1 of equalization the property no longer qualifies for an exemption.

2 The county board of equalization shall give notice of the assessed  
3 value of the real property in the same manner as outlined in section  
4 77-1507, and the procedures for filing a protest shall be the same as  
5 those in section 77-1502.

6 When personal property which was exempt becomes taxable because of  
7 lost exemption status, the owner or his or her agent has thirty days  
8 after the date of denial to file a personal property return with the  
9 county assessor. Upon the expiration of the thirty days for filing a  
10 personal property return pursuant to this subsection, the county assessor  
11 shall proceed to list and value the personal property and apply the  
12 penalty pursuant to section 77-1233.04.

13 (5) During the month of September of each year, the county board of  
14 equalization shall cause to be published in a paper of general  
15 circulation in the county a list of all real estate in the county exempt  
16 from taxation for that year pursuant to subdivisions (1)(c) and (d) of  
17 section 77-202. Such list shall be grouped into categories as provided by  
18 the Property Tax Administrator. An electronic copy of the list of real  
19 property exemptions and a copy of the proof of publication shall be  
20 forwarded to the Property Tax Administrator on or before November 1 of  
21 each year.

22 Sec. 2. Original section 77-202.03, Revised Statutes Supplement,  
23 2019, is repealed.