

LEGISLATURE OF NEBRASKA
NINETY-FOURTH LEGISLATURE
SECOND SESSION

Legislative Bill 1114

Introduced by Warner, 25; Coordsen, 32; Hartnett, 45; Will, 8

Read first time January 8, 1996

Committee: Revenue

A BILL

FOR AN ACT relating to revenue and taxation; to amend section 19-1309, Reissue Revised Statutes of Nebraska, section 23-119, Revised Statutes Supplement, 1994, and sections 23-120, 79-2210, and 85-1517, Revised Statutes Supplement, 1995; to change and provide limits on property tax levies for governmental subdivisions; to harmonize provisions; to provide an operative date; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. (1) Beginning January 1, 1998, property tax levies shall be limited to the amounts set forth in this section.

(2) School district and multiple district school systems may levy a maximum levy of one dollar and ten cents per one hundred dollars of taxable valuation of property subject to the levy.

(3) Community colleges may levy a maximum levy of seven and one-half cents per one hundred dollars of taxable valuation subject to the levy.

(4) Natural resources districts may levy a maximum levy of four and one-half cents per one hundred dollars of taxable valuation subject to the levy.

(5) Educational service units may levy a maximum levy of one cent per one hundred dollars of taxable valuation subject to the levy.

(6) Incorporated cities and villages may levy a maximum levy of fifty cents per one hundred dollars of taxable valuation subject to the levy plus an additional ten cents per one hundred dollars of taxable valuation to provide financing for the municipality's share of revenue required under 'an agreement executed pursuant to the Interlocal Cooperation Act.

(7) Sanitary and improvement districts may levy a maximum levy of ten cents per one hundred dollars of taxable valuation.

(8) Counties may levy a maximum levy of thirty cents per one hundred dollars of taxable valuation plus (a) an additional five cents per one hundred dollars of taxable valuation on nonresidential property outside of municipalities which are parties to an agreement executed pursuant to the Interlocal Cooperation Act and (b) an additional ten cents per one hundred dollars of taxable

valuation on residential property outside such municipalities to provide financing for the county's share of revenue required under the agreement.

(9) All other political subdivisions may levy property taxes as authorized by law which do not collectively exceed twelve cents per one hundred dollars of taxable valuation on any parcel or item of taxable property anywhere in the state.

(10) Property tax levies for bonded indebtedness approved according to law and secured by a levy on property are not included in the levy limits established by this section.

Sec. 2. By January 1, 2001, (1) the combined property tax levy on a parcel or item of taxable property located in an incorporated municipality shall not exceed two dollars per one hundred dollars of taxable valuation, (2) the combined property tax levy on a parcel or item of taxable nonresidential property located outside of an incorporated municipality shall not exceed one dollar and fifty cents per one hundred dollars of taxable valuation, and (3) the combined property tax levy on a parcel or item of taxable residential property located outside of an incorporated municipality shall not exceed one dollar and sixty-five cents per one hundred dollars of taxable valuation.

Sec. 3. Section 19-1309, Reissue Revised Statutes of Nebraska, is amended to read:

19-1309. Notwithstanding provisions in the statutes of Nebraska to the contrary, for any fiscal year the governing body of any city of the first class, city of the second class, or village may decide to certify to the county clerk for collection one all-purpose levy required to be raised by taxation for all

municipal purposes instead of certifying a schedule of levies for specific purposes added together. The levy shall be subject to the limit established by section 1 of this act. ~~, which all purpose levy shall not exceed an annual levy of eighty seven and five tenths cents on each one hundred dollars for cities of the first class and one dollar and five cents on each one hundred dollars for cities of the second class and villages upon the taxable valuation of all the taxable property in such city or village. Otherwise authorized extraordinary levies to service and pay bonded indebtedness of such municipalities, to pay or fund police officer's and firefighter's pension plans in cities of the first class, and to pay judgments obtained against them may be made by such municipalities in addition to such all-purpose levy. Any municipality the valuation of which has been reduced so that the maximum levy permitted by this section is inadequate to produce the necessary may exceed such maximum levy upon the presentation to the body of petitions signed by majority of the registered voters of the municipality requesting such action and specifying the extent to and period of time, not to exceed five years, in which such maximum may be exceeded. No signature may be withdrawn after the petitions have been filed with the governing body. The governing body shall cause such petitions, accompanied by the certificate of the county clerk or election commissioner that he or she has examined the petitions and that they have been signed by a majority of the registered voters of the municipality, to be filed with the county board or boards of the county or counties in which the municipality is located. After such filing, the governing body may exceed the maximum tax levy to~~

~~the extent and for the period of time specified in the petitions.~~

Sec. 4. Section 23-119, Revised Statutes Supplement, 1994, is amended to read:

23-119. It shall be the duty of the county board of each county to cause to be annually levied and collected taxes authorized by law for county purposes. The levy shall be subject to the limit established by section 1 of this act. ~~, not exceeding fifty cents on each one hundred dollars of taxable valuation, except in any county in which a health district has been duly constituted as provided by sections 71-1601 to 71-1625 and has not been dissolved. The tax so levied shall not exceed forty cents on each one hundred dollars of taxable valuation. An additional amount may be levied in any county if authorized by a vote of the people of the county.~~

Sec. 5. Section 23-120, Revised Statutes Supplement, 1995, is amended to read:

23-120. (1) The county board shall acquire, purchase, construct, renovate, remodel, furnish, equip, add to, improve, or provide a suitable courthouse, jail, and other county buildings and a site or sites therefor and for such purposes borrow money and issue the bonds of the county to pay for the same. Agreements entered into under section 25-412.03 shall be deemed to be in compliance with this section. The board shall keep such buildings in repair and provide suitable rooms and offices for the accommodation of the several courts of record, Nebraska Workers' Compensation Court or any judge thereof, Commissioner of Labor for the conduct and operation of the state free employment service, county board, county clerk, county treasurer, county sheriff, clerk

of the district court, county superintendent, county surveyor, county agricultural agent, and county attorney if the county attorney holds his or her office at the county seat and shall provide suitable furniture and equipment therefor. All such courts which desire such accommodation shall be suitably housed in the courthouse.

(2) No levy exceeding (a) two million dollars in counties having in excess of two hundred fifty thousand inhabitants, (b) one million dollars in counties having in excess of one hundred thousand inhabitants and not in excess of two hundred fifty thousand inhabitants, (c) three hundred thousand dollars in counties having in excess of thirty thousand inhabitants and not in excess of one hundred thousand inhabitants, or (d) one hundred fifty thousand dollars in all other counties shall be made within a one-year period for any of the purposes specified in subsection (1) of this section without first submitting the proposition to a vote of the people of the county at a general election or a special election ordered by the board for that purpose and obtaining the approval of a majority of the legal voters thereon.

(3)(a) The county board of any county in this state may, when requested so to do by petition signed by at least a majority of the legal voters in the county based on the average vote of the two preceding general elections, make an annual levy of not to exceed seventeen and five-tenths cents on each one hundred dollars upon the taxable value of all the taxable property in the county for any of the purposes specified in subsection (1) of this section.

(b) If a county on the day it first initiates a project

for any of the purposes specified in subsection (1) of this section had no bonded indebtedness payable from its general fund levy, the county board may make an annual levy of not to exceed five and two-tenths cents on each one hundred dollars upon the taxable value of all the taxable property of the county for a project or projects for any of the purposes specified in subsection (1) of this section without the filing of a petition described in subdivision (3)(a) of this section. The county board shall designate the particular project for which such levy shall be expended, the period of years, which shall not exceed ten, for which the tax will be levied for such project, and the number of cents of the levy for each year thereof. The county board may designate more than one project and levy a tax pursuant to this section for each such project, concurrently or consecutively, as the case may be, if the aggregate levy in each year and the duration of each levy will not exceed the limitations specified in this subsection. Each levy for a project which is authorized by this subdivision may be imposed for such duration specified by the county board notwithstanding the contemporaneous existence or subsequent imposition of any other levy or levies for another project or projects imposed pursuant to this subdivision and notwithstanding the subsequent issuance by the county of bonded indebtedness payable from its general fund levy.

~~(c) In no case shall the levy of taxes made by the county board for all purposes, including the taxes levied pursuant to this section, exceed in any one year the sum of fifty cents on every one hundred dollars of the taxable value of all the taxable property of the county.~~

Sec. 6. Section 79-2210, Revised Statutes Supplement,

1995, is amended to read:

79-2210. After the adoption of its budget statement, the board for each educational service unit may levy a tax, in the amount which it requires under its adopted budget statement to be received from taxation. The levy shall be subject to the limits established by section 1 of this act. The , of not to exceed three and five tenths cents on each one hundred dollars on the taxable valuation of the taxable property within its geographical unit, except that the tax may exceed three and five tenths cents on each one hundred dollars of such valuation the limit by up to five-tenths cent on each one hundred dollars of such valuation in order to carry out the purposes of section 79-2225. The amount of such levy shall be certified by the secretary of the educational service unit board to the county board of equalization of each county in which any part of the geographical area of the educational service unit is located on or before September 20 of each year. Such tax shall be levied and assessed in the same manner as other property taxes and entered on the books of the county treasurer. The proceeds of such tax, as collected, shall be remitted to the treasurer of the board not less frequently than once each month.

Sec. 7. Section 85-1517, Revised Statutes Supplement, 1995, is amended to read:

85-1517. (1) The board may certify to the county board of equalization of each county within the community college area a tax levy ~~of not to exceed nine cents on each one hundred dollars on the taxable valuation of all property within the community college area, uniform throughout such area,~~ for the purpose of supporting

operating expenditures of the community college area. The levy shall be subject to the limits established in section 1 of this act.

(2)(a) ~~In addition to~~ As part of the levy provided in subsection (1) of this section, the board may ~~also~~ certify to the county board of equalization of each county within the community college area a tax levy of not to exceed one and eight-tenths cents on each one hundred dollars on the taxable valuation of all property within the community college area, uniform throughout such area, for the purpose of establishing a capital improvement fund and bond sinking fund as provided in section 85-1515.

(b) In addition to the levy provided in subdivision (a) of this subsection, the board may also certify to the county board of equalization of each county within the community college area a tax levy on each one hundred dollars on the taxable valuation of all property within the community college area, uniform throughout such area, in the amount which will produce funds only in the amount necessary to pay for funding accessibility barrier elimination project costs and abatement of environmental hazards as such terms are defined in section 79-4,207. Such tax levy shall not be so certified unless approved by an affirmative vote of a majority of the board taken at a public meeting of the board following notice and a hearing as provided in section 77-3439.

~~(3) Except as provided by subsection (4) of this section, the levy provided in subsection (1) of this section shall not exceed nine cents on each one hundred dollars on the taxable valuation of all property within the community college area without prior approval by a majority vote of the qualified electors of the~~

~~community college area voting in an election called for such purpose pursuant to section 85-1518.~~

~~(4) The tax limit provided in subsection (1) of this section may be exceeded by a seventy-five percent vote of the board. The tax levy increase permitted under this subsection shall not exceed and shall be the lesser of an additional two and one half cents on each one hundred dollars of the taxable valuation of all property within the community college area or an amount sufficient to fund the local tax receipt portion of the total budget increase permitted under any budget increase limitation which is imposed by law and which is applicable to such area. The changes made to this subsection by Laws 1990, LB 1050, are expressly intended to apply to all litigation concerning any vote taken pursuant to this subsection prior to July 10, 1990, including all litigation pending on such date.~~

~~(5) (3) The levy provided by subdivision (2)(a) of this section may be exceeded by that amount necessary to retire the general obligation bonds assumed by the community college area or issued pursuant to section 85-1515 according to the terms of such bonds.~~

~~(6) (4) Such tax shall be levied and assessed in the same manner as other property taxes and entered on the books of the county treasurer. The proceeds of such tax, as collected, shall be remitted to the treasurer of the board not less frequently than once each month.~~

Sec. 8. This act becomes operative on January 1, 1998.

Sec. 9. Original section 19-1309, Reissue Revised Statutes of Nebraska, section 23-119, Revised Statutes Supplement,

1994, and sections 23-120, 79-2210, and 85-1517, Revised Statutes Supplement, 1995, are repealed.