

## LEGISLATIVE BILL 271

Approved by the Governor June 10, 1997

Introduced by Warner, 25; Coordsen, 32; Hartnett, 45; Kristensen, 37; Schellpeper, 18; Wickersham, 49

AN ACT relating to motor vehicles; to amend sections 37-1103, 39-2510, 39-2519, 39-2520, 60-302.01, 60-303, 60-305.04, 60-310, 60-311.02, 60-311.14, 60-311.21, 607315, 60-318, 60-344, 60-1807, 66-4,128, 70-651.05, 77-201, 77-202 to 77-202.06, 77-202.24, 77-202.25, 77-1201, 77-1202, 77-1342, 77-1736.08, 77-4501, and 79-1016, Reissue Revised Statutes of Nebraska, sections 13-504 to 13-506, 23-186, 60-106, 60-302, 60-305.11, 60-305.15, 60-320, 60-1411.03, and 60-1803, Revised Statutes Supplement, 1996, and section 13-509, Revised Statutes Supplement, 1996, as amended by section 2, Legislative Bill 397, Ninety-fifth Legislature, First Session, 1997; to define terms; to impose fees and taxes on motor vehicles; to provide exemptions and schedules; to transfer powers and duties; to change provisions relating to budget documents and dealer number license plates; to eliminate provisions relating to the valuation and taxation of motor vehicles; to harmonize provisions; to provide operative dates; to repeal the original sections; to outright repeal sections 60-1806, 77-202.08, 77-1238, 77-1239 to 77-1239.02, 77-1239.05, 77-1239.06, 77-1240.01, 77-1240.03, 77-1240.04, 77-1241.01, 77-1242.01, and 77-1242.02, Reissue Revised Statutes of Nebraska; and to declare an emergency.

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

Section 1. For purposes of sections 1 to 8 of this act:

(1) Bus has the same meaning as in section 60-612:

(2) Current model year vehicle means a motor vehicle for which the model year as designated by the manufacturer corresponds to the calendar year;

(3) Motor vehicle means every motor vehicle, trailer, an semitrailer subject to the payment of registration fees or Permit fees under the laws of this state and every cabin trailer as defined in section 60-301 registered for operation upon the highways of this state;

(4) Motor vehicle fee means the fee imposed upon motor vehicles under section 7 of this act;

(5) Motor ehicle tax means the tax imposed upon motor vehicles under section 2 of this act;

(6) Registration period means the period from the date of registration pursuant to section 60-302 to the first day of the month following one year after such date; and

(7) Situs of a motor vehicle means the tax district where the motor vehicle is stored and kept for the greater portion of the calendar year. For a motor vehicle used or owned by a student, the situs is at the place of residence of the student if different from the place at which he or she is attending school.

Sec. 2. In addition to the registration fees provided by Chapter 60, article 3, and the motor vehicle fee imposed in section 7 of this act, a motor vehicle tax is imposed on motor vehicles registered for operation upon the highways of this state except:

(1) Motor vehicles exempt from the registration fee in section 60-335;

(2) One motor vehicle owned and used for his or her personal transportation by a disabled or blind honorably discharged veteran of the United States Armed Forces whose disability or blindness is recognized by the United States Department of Veterans Affairs if an application for the exemption has been approved under subsection (1) of section 6 of this act;

(3) Motor vehicles owned by Indians as defined in 25 U.S.C. 479;

(4) Motor vehicles owned by a member of the United States Armed Forces serving in this state in compliance with military or naval orders if such person is a resident of a state other than Nebraska;

(5) Motor vehicles owned by the state and its governmental subdivisions and exempt as provided in subdivision (1)(a) of section 77-202;

(6) Motor vehicles owned and used exclusively by an organization or society qualified for a tax exemption provided in subdivision (1)(b) or (1)(c) of section 77-202 if an application for the exemption provided in this subdivision has been approved under subsection (2) of section 6 of this act: and

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those charges subject to sales tax. The fee shall not be subject to sales tax. The fee shall be noted in the rental contract and collected in accordance with the terms of the contract. The fee shall be retained by the vehicle owner or the rental company engaged in the business of renting private passenger motor vehicles. Fees collected pursuant to this section shall be used by the vehicle owner or the rental company for reimbursement of the amount of motor vehicle taxes and fees imposed and paid in Nebraska upon the vehicles by the vehicle owner or rental company.

(2) On February 15 of each year, the fees imposed by this section for the preceding calendar year, to the extent the fees exceed the motor vehicle taxes and fees imposed and paid in Nebraska upon the vehicles for the preceding calendar year, shall be due and payable to the county treasurer of the county where the transactions occurred. The fee shall be remitted on forms prescribed by the county treasurer. The county shall allocate and distribute such proceeds in the same manner as the proceeds from motor vehicle taxes are allocated and distributed pursuant to section ~~77-1240.01~~ 3 of this Act. The revenue received by the county under this section may be expended for any lawful purpose.

(3) The revenue received by the county under this section shall be included and considered as proceeds of motor vehicle taxes and fees for purposes of any growth limitation on budgets of political subdivisions funded by property taxes.

(4) The fee imposed under this section shall be in addition to any other tax or fee authorized by law to be levied on the business activities described in this section and shall be in addition to the sales tax imposed by the state or any municipality.

(5) The county treasurer, county board, and county sheriff may use any method specified in Chapter 77, article 17, for the collection of property taxes to collect the fee imposed by this section.

(6) A fee shall not be collected if the renter is exempt from the payment of sales tax.

Sec. 53. Section 79-1016, Reissue Revised Statutes of Nebraska, is amended to read:

79-1 016. (1) On or before July 1 of each year, the Property Tax Administrator shall compute and certify to the State Department of Education the adjusted valuation for the current calendar year of each district for each class of property in each such district so that the valuation of property for each district, for purposes of determining state aid pursuant to the Tax Equity and Educational Opportunities Support Act, shall reflect as nearly as possible state aid value as defined in subsection (2) of this section. The Property Tax Administrator shall also notify each school district of its adjusted valuation for the current calendar year by class on or before July 1 of each year. Establishment of the adjusted valuation shall be based on assessment practices established by rule and regulation adopted and promulgated by the Property Tax Administrator. The assessment practices may include, but not be limited to, the appraisal techniques listed in section 77-112.

(2) For purposes of this section, state aid value means:

(a) For real property other than agricultural land, one hundred percent of market value;

(b) For agricultural land, eighty percent of market value as provided in sections 77-1359 to 77-1365; and

(c) For personal property, ~~other than motor vehicles~~, the net book value as defined in section 77-120, ~~and~~

~~(d) For motor vehicles, the value established pursuant to section 77-1239.~~

(3) Prior to August 1 any school district may file with the Property Tax Administrator written objections to the adjusted valuations prepared by the Property Tax Administrator, stating the reasons why such adjusted valuations are not the valuations required by subsection (2) of this section. The Property Tax Administrator shall fix a time for a hearing. Either party shall be permitted to introduce any evidence in reference thereto. Prior to December 1, the Property Tax Administrator shall enter an order modifying or declining to modify, in whole or in part, the adjusted valuations and shall certify the order to the State Department of Education. Modification by the Property Tax Administrator shall be based upon the evidence introduced at hearing and shall not be limited to the modification requested in the written objections or at hearing. The final determination of the Property Tax Administrator may be appealed to the Tax Equalization and Review Commission.

(4) The Property Tax Administrator shall, on the date the adjusted valuations are certified to the State Department of Education under subsection (1) of this section, cause to be published notice of such adjusted valuations

in a newspaper published or of general circulation in each county in Nebraska.

(5) No injunction shall be granted restraining the distribution of state aid based upon the adjusted valuations pursuant to this section.

Sec. 54. Sections 9 to 12, 54, 56, and 58 of this act become operative on their effective date. The other sections of this act become operative on January 1, 1998.

Sec. 55. Original sections 37-1103, 39-2510, 39-2519, 39-2520, 60-302.01, 60-303, 60-305.04, 60-310, 60-311.02, 60-311.14, 60-311.21, 60-315, 60-318, 60-344, 60-1807, 66-4,128, 70-651.05, 77-201, 77-202 to 77-202.06, 77-202.24, 77-202.25, 77-1201, 77-1202, 77-1342, 77-1736.08, 77-4501, and 79-1016, Reissue Revised Statutes of Nebraska, and sections 23-186, 60-106, 60-302, 60-305.11, 60-305.15, 60-320, 60-1411.03, and 60-1803, Revised Statutes Supplement, 1996, are repealed.

Sec. 56. Original sections 13-504 to 13-506, Revised Statutes Supplement, 1996, and section 13-509, Revised Statutes Supplement, 1996, as amended by section 2, Legislative Bill 397, Ninety-fifth Legislature, First Session, 1997, are repealed.

Sec. 57. The following sections are outright repealed: Sections 60-1806, 77-202.08, 77-1238, 77-1239 to 77-1239.02, 77-1239.05, 77-1239.06, 77-1240.01, 77-1240.03, 77-1240.04, 77-1241.01, 77-1242.01, and 77-1242.02, Reissue Revised Statutes of Nebraska.

Sec. 58. Since an emergency exists, this act takes effect when passed and approved according to law.