

LEGISLATIVE BILL 829

Approved by the Governor June 10, 1991

Introduced by Will, 8; Hall, 7

AN ACT relating to revenue and taxation; to amend sections 13-509, 25-208, 25-218, 25-21,149, 77-103, 77-105, 77-202, 77-510, 77-1510, 77-1613.01, 77-1727, 77-1734-01, 77-1735, 77-1736.04, 77-1775, 77-1775.01, 77-2701, 77-2703, 77-2708, and 77-3437 to 77-3441, Reissue Revised Statutes of Nebraska, 1943, sections 79-3809 and 79-3814, Revised Statutes Supplement, 1990, and section 77-2704, Reissue Revised Statutes of Nebraska, 1943, as amended by section 14, Legislative Bill 244, Ninety-second Legislature, First Session, 1991; to change provisions relating to actions involving certain taxes; to redefine and eliminate terms; to exempt certain personal property from tax; to change provisions relating to refunds and credits; to provide for a depreciation surcharge, a corporate income tax surcharge, and a corporation fee and assessment; to reduce the sales and use tax collection fee; to change provisions relating to sales and use tax exemptions; to provide for reimbursement to political subdivisions; to change provisions relating to property tax receipts limitations; to change provisions relating to valuation adjustments under the Tax Equity and Educational Opportunities Support Act; to extend a termination date; to eliminate a provision on refunds of illegally assessed taxes; to harmonize provisions; to provide operative dates; to provide severability; to repeal the original sections, and also section 77-1736.10, Reissue Revised Statutes of Nebraska, 1943; and to declare an emergency.

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

Section 1. That section 13-509, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

13-509. On or before August 20 of each year, the county assessor shall certify to each governing body

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those voting on the question. Voting at such special election shall be by those persons who are authorized to vote for members of the governing body.

(2) Notice of the election held pursuant to subsection (1) of this section shall state the date on which the election is to be held and the hours the polls will be open. The notice shall be published in a newspaper that is published in or of general circulation in the political subdivision at least five days before the election. If no newspaper is published in or of general circulation in the political subdivision, notice shall be posted at least five days before the special election in each of three public places in the political subdivision.

(3) The governing body shall submit the question to the voters in the following form:

The (name of political subdivision) proposes to request a (number) percent increase in the total anticipated receipts from property taxes levied on its behalf. Such increase is greater than the ~~increases~~ increase permitted by ~~sections 77-3438 and section 77-3439.~~

A vote FOR the proposal will allow the (name of political subdivision) to increase the total anticipated receipts from property taxes levied by (number) percent.

A vote AGAINST the proposal will limit the (name of political subdivision) to the ~~increases~~ increase permitted by ~~sections 77-3439 and section 77-3439.~~

Sec. 31. That section 77-3441, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-3441. Sections 77-3437 to 77-3440 shall terminate on July 1, ~~1992~~ 1994.

Sec. 32. That section 79-3809, Revised Statutes Supplement, 1990, be amended to read as follows:

79-3809. Commencing in 1994, on ~~On~~ or before March 1 of each year the Department of Revenue shall compute and certify to the State Department of Education the adjusted valuation of each district for the second preceding tax year by application of an adjustment factor 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 actual value as required by law and the Constitution of Nebraska. Establishment

of the adjustment factors shall be based on the best available assessment practices.

Sec. 33. That section 79-3814, Revised Statutes Supplement, 1990, be amended to read as follows:

79-3814. (1) Except as Provided in subsection (2) of this section, beginning ~~Beginning~~ with budgets adopted for school year 1990-91, no district shall increase its general fund budget of expenditures more than the applicable allowable growth percentage. The Legislature shall annually establish an allowable growth range which shall be expressed as basic allowable growth rates plus a specified number of percentage points. The Legislature shall set the basic allowable growth rates based on projections of available state revenue and the cost of living and cost of education from nationally accepted cost indexes which shall be provided by the Nebraska Economic Forecasting Advisory Board, the Legislative Fiscal Analyst, the Department of Revenue, and the State Department of Education.

(2) Notwithstanding any of the provisions of subsection (1) of this section and sections 79-3815 to 79-3821 for budgets adopted for school year 1991-92, the general fund budget of expenditures of each district shall not exceed the general fund budget of expenditures adopted for school year 1990-91 unless a district, pursuant to the procedures and requirements specified in subsection (1) of section 79-3820, by an affirmative vote of seventy-five percent of the school board, votes to exceed such limitation, in which case the budget limitations and all other provisions of subsection (1) of this section and sections 79-3815 to 79-3821 shall apply.

Sec. 34. Sections 19, 20, 24, and 36 of this act shall be operative for all tax years beginning or deemed to begin on or after January 1, 1991, under the Internal Revenue Code of 1986, as amended. Sections 5 to 7 and 37 of this act shall become operative on January 1, 1991. Sections 21 to 23 and 38 of this act shall become operative on October 1, 1991. The other sections of this act shall become operative on their effective date.

Sec. 35. If any section in this act or any part of any section shall be declared invalid or unconstitutional, such declaration shall not affect the validity or constitutionality of the remaining portions thereof.

Sec. 36. That original section 77-2701, Reissue Revised Statutes of Nebraska, 1943, is repealed.

Sec. 37. That original sections 77-103, 77-105, and 77-202, Reissue Revised Statutes of Nebraska, 1943, are repealed.

Sec. 38. That original sections 77-2703 and 77-2708, Reissue Revised Statutes of Nebraska, 1943, and section 77-2704, Reissue Revised Statutes of Nebraska, 1943, as amended by section 14, Legislative Bill 244, Ninety-second Legislature, First Session, 1991, are repealed.

Sec. 39. That original sections 13-509, 25-208, 25-218, 25-21,149, 77-510, 77-1510, 77-1613.01, 77-1727, 77-1734.01, 77-1735, 77-1736.04, 77-1775, 77-1775.01, and 77-3437 to 77-3441, Reissue Revised Statutes of Nebraska, 1943, and sections 79-3809 and 79-3814, Revised Statutes Supplement, 1990, and also section 77-1736.10, Reissue Revised Statutes Nebraska, 1943, are repealed.

Sec. 40. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.