

# BACK IN SESSION WITH SENATOR LOU ANN LINEHAN

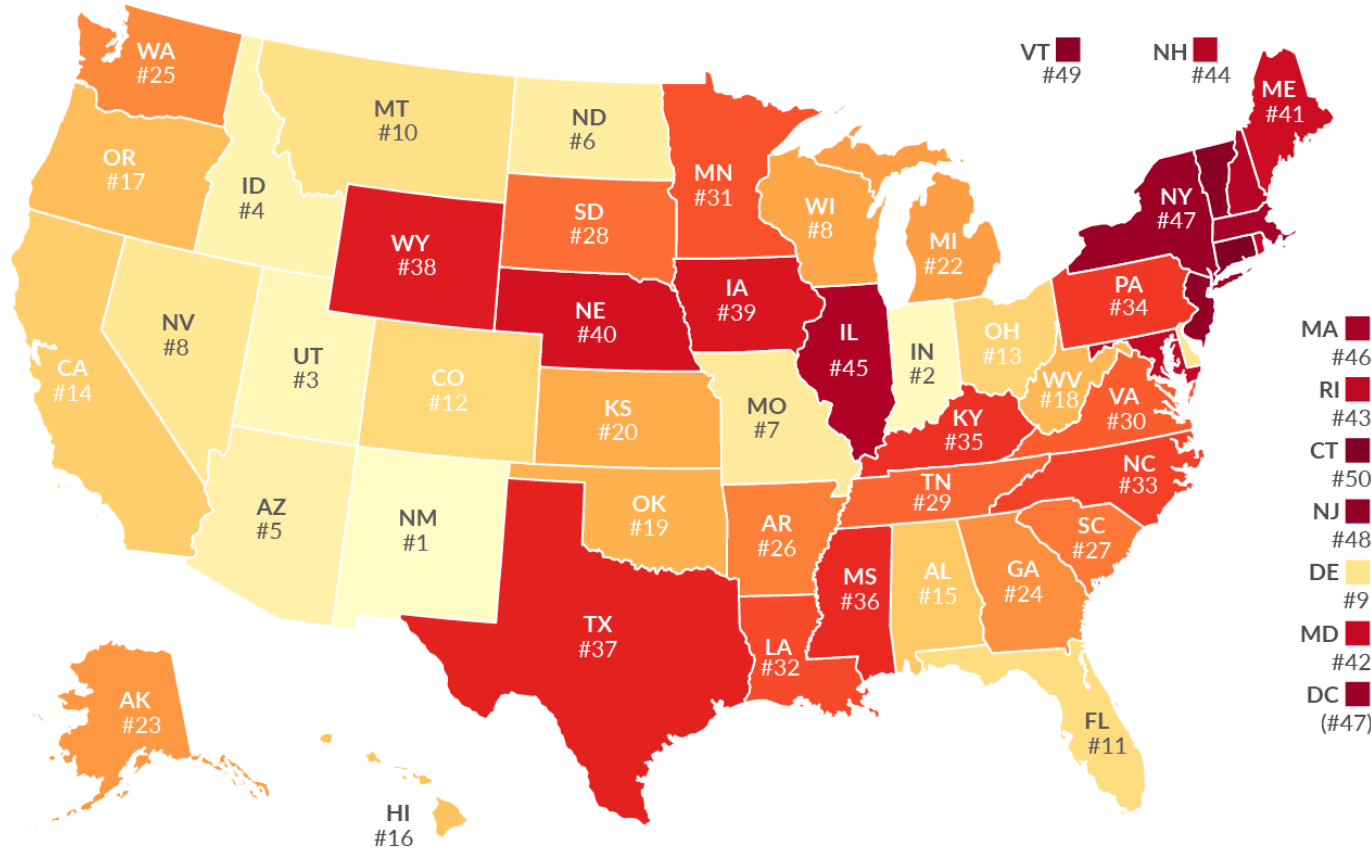
July 8<sup>th</sup>, 2020

11:00 am

# How Does Your State Rank on Property Taxes?

Property Tax Component Rankings, 2019 State Business Tax Climate Index

	2016 Rank	2017 Rank	2018 Rank	2019 Rank	Change in Rank from 2018 to 2019
Nebraska	39	39	40	40	0



Note: A rank of 1 is best, 50 is worst. DC's score and rank do not affect other states.  
Source: Tax Foundation, 2019 State Business Tax Climate Index.



## From Worst to Best (Kiplinger Report)

NE: In Nebraska, residents pay an average of \$1,855 in taxes per \$100,000 of assessed home value.

IA: In Iowa, residents pay an average of \$1,678 in taxes per \$100,000 of assessed home value.

KS: In Kansas, residents pay \$1,491 in taxes per \$100,000 of assessed home value.

SD: In South Dakota, residents pay an average of \$1,388 in taxes per \$100,000 of assessed home value.

MO: In Missouri, residents pay an average of \$1,026 in taxes per \$100,000 of assessed home value.

WY: In Wyoming, residents pay an average of \$635 in taxes per \$100,000 of assessed home value.

CO: In Colorado, residents pay an average of \$607 in taxes per \$100,000 of assessed home value.

# AGLAND PROPERTY TAX RATE

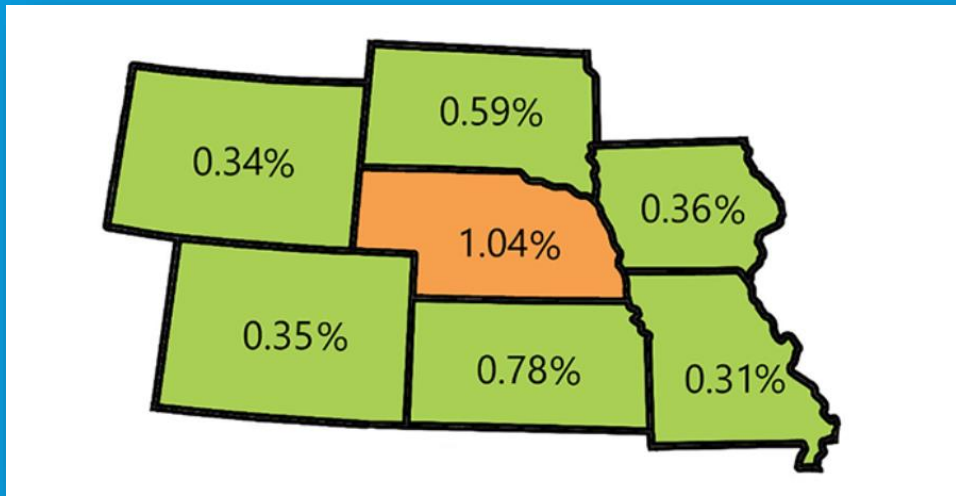


Figure 1

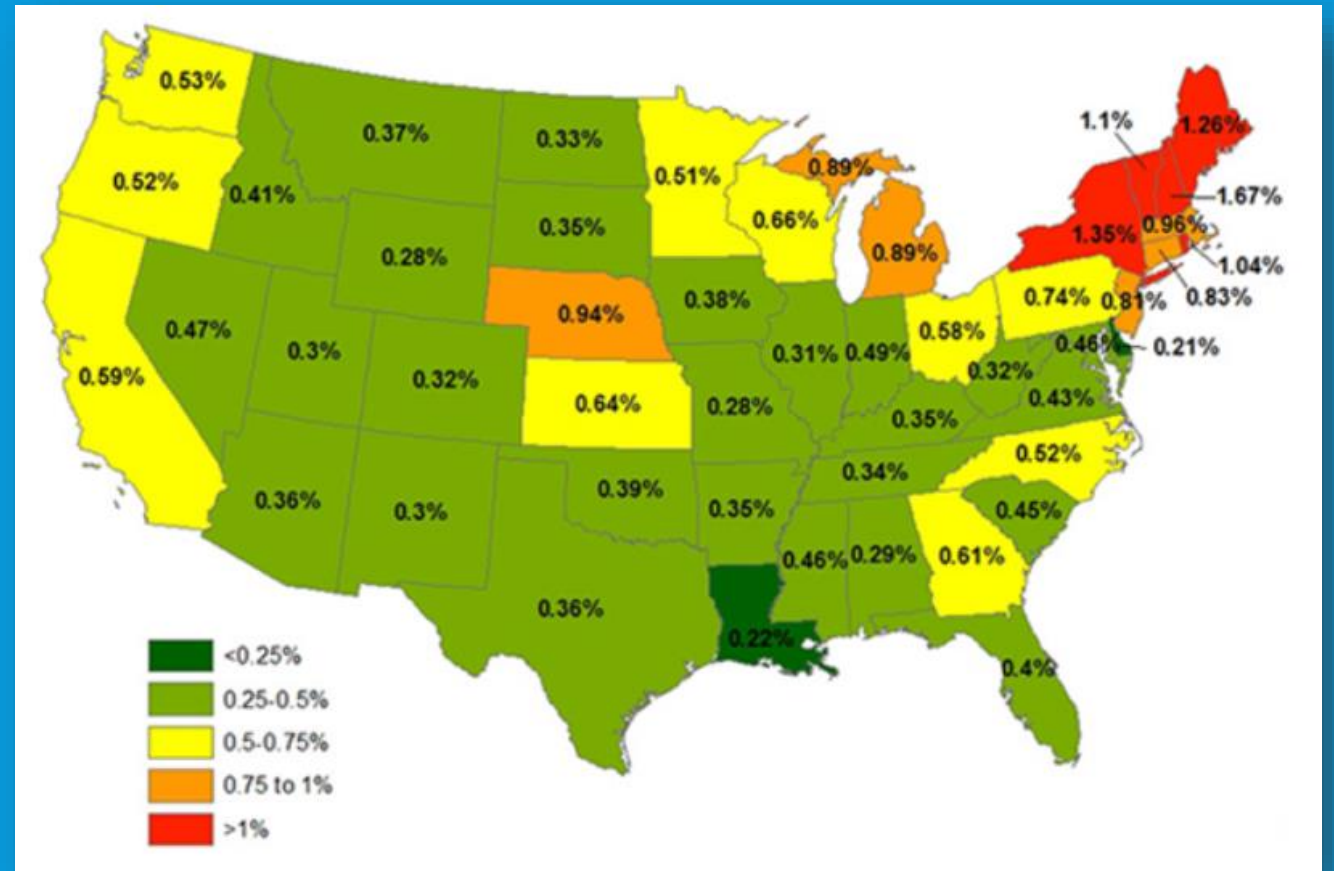


Figure 2

## History of the Property Tax Credit Fund

The Property Tax Credit Act was created in 2007 and the purpose of the Act is to provide property tax relief for property taxes levied against real property. The operative statutes are found in Neb. Rev. Stat. §§ 77-4209 through 77-4212.

The Act provides a real property tax credit based on the valuation of each parcel of real property compared to the valuation of all real property in the state. The tax credit amount varies each year depending on appropriation and value.

Beginning in 2017, the tax credit allocated more of the funds to agricultural and horticultural land as if those lands were valued at 120% of their actual value. Pursuant to Neb. Rev. Stat. § 77-4212 (4), the Property Tax Administrator is required to determine the real property tax credit rates and the amount of disbursement available to each county, on or before September 15 and certify to the counties and the State Treasurer. The Department of Revenue also issues an annual news release at the same time regarding the property tax credit rates.

TAX YEAR	FUNDING		REAL PROPERTY VALUE ELIGIBLE	CREDIT RATE	RATE PER \$100,000 OF Value
2007	\$105M		\$ 126,173,249,573	0.0008322	\$ 83.22
2008	\$115M		\$ 133,526,060,086	0.0008613	\$ 86.13
2009	\$115M		\$ 139,872,647,990	0.0008222	\$ 82.22
2010	\$115M		\$ 145,728,785,008	0.0007891	\$ 78.91
2011	\$115M		\$ 152,707,187,248	0.0007531	\$ 75.31
2012	\$115M		\$ 160,846,501,888	0.000715	\$ 71.50
2013	\$115M		\$ 174,325,264,970	0.0006597	\$ 65.97
2014	\$140M		\$ 195,702,533,235	0.0007154	\$ 71.54
2015	\$204M		\$ 216,818,552,715	0.0009409	\$ 94.09
2016	\$204M		\$ 227,744,774,746	0.0008957	\$ 89.57
2017	<b>\$204M</b>	<b>Allocated</b>			
2017	\$ 119,011,200	Real-NonAgland	\$ 135,316,352,585	0.0008795	\$ 87.95
2017	\$ 104,998,800	Real - Agland	\$ 99,457,984,847	0.0010556	\$ 105.56
2018	<b>\$224M</b>	<b>Allocated</b>			
2018	\$ 123,692,800	Real - NonAgland	\$ 142,997,162,657	0.000865	\$ 86.50
2018	\$ 100,307,200	Real - Agland	\$ 96,925,192,465	0.0010381	\$ 103.81
2019	<b>\$275M</b>	<b>Allocated</b>			
2019	\$ 158,977,500	Real - NonAgland	\$ 152,645,156,208	0.0010415	\$ 104.15
2019	\$ 116,022,500	Real - Agland	\$ 111,396,326,928	0.0012498	\$ 124.98

# COMPARISON OF NET PROPERTY TAXES PAID

			School District General Fund Tax Dollars			
Property Type	Market Value	Taxable Value	General Fund Tax Dollars at \$1.05	General Fund Tax Dollars at \$0.3036	Property Tax Credit for Ag Land <sub>1</sub>	Property Tax Credit for NonAgland <sub>2</sub>
Agricultural	1,000,000	750,000	7,875	2,277	1,125	
Residential	1,000,000	1,000,000	10,500	3,036		1,042
<sub>1</sub> Agland valued at 120% of taxable value. Rate is \$104.15 based on \$100,000 of valuation. <sub>2</sub> Nonagland valued at 100% of taxable value. Rate is \$124.98 based on \$100,000 of valuation.						
Property Type	General Fund Tax Dollars at \$1.05	Property Tax Credit	Net Property Taxes Paid	General Fund Tax Dollars at \$0.3036	Property Tax Credit	Net Property Taxes Paid
Agricultural	7,875	1,125	6,750	2,277	1,125	1,152
Residential	10,500	1,042	9,458	3,036	1,042	1,994