

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 577

Introduced by Cavanaugh, J., 9; Brandt, 32.

Read first time January 17, 2023

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
2 77-1804, 77-1805, and 77-1818, Reissue Revised Statutes of Nebraska,
3 and sections 77-1802 and 77-1837, Revised Statutes Cumulative
4 Supplement, 2022; to change provisions relating to the notification
5 of delinquent property taxes and the issuance of treasurer's tax
6 deeds; to provide an operative date; and to repeal the original
7 sections.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-1802, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 77-1802 The county treasurer shall, not less than four nor more than
4 six weeks prior to the first Monday of March in each year, make out a
5 list of all real property subject to sale and the amount of all
6 delinquent taxes against each item with an accompanying notice stating
7 that so much of such property described in the list as may be necessary
8 for that purpose will, on the first Monday of March next thereafter, be
9 sold by such county treasurer at public auction at his or her office for
10 the taxes, interest, and costs thereon. In making such list, the county
11 treasurer shall describe the property as it is described on the tax list
12 and shall include the property's parcel number, if any, as well as the
13 property's situs address and property owner's billing address, as listed
14 with the local county treasurer's office.

15 Sec. 2. Section 77-1804, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 77-1804 (1) The county treasurer shall cause the list of real
18 property subject to sale and accompanying notice to be published once a
19 week for three consecutive weeks prior to the date of sale, commencing
20 the first week in February, in a legal newspaper and, in counties having
21 more than two hundred fifty thousand inhabitants, in a daily legal
22 newspaper of general circulation, published in the English language in
23 the county, and designated by the county board. The county treasurer
24 shall also cause to be posted in some conspicuous place in his or her
25 office a copy of such notice. The treasurer shall assess against each
26 description the sum of five dollars to defray the expenses of
27 advertising, which sum shall be added to the total amount due on such
28 real property and be collected in the same manner as taxes are collected.

29 (2) The county treasurer shall also forward an electronic copy of
30 the list of real property subject to sale to the Property Tax
31 Administrator who shall compile a list for all counties and publish the

1 compiled list on the website of the Department of Revenue.

2 (3) The county treasurer shall send notice to the owners of the real
3 property subject to sale by first-class mail and certified mail. The
4 notice shall state that the government is selling a lien to the property
5 at a public auction and that the lien shall give the purchaser the right
6 to collect the debt from the owner with interest at the rate specified in
7 section 45-104.01, as such rate may from time to time be adjusted by the
8 Legislature. The notice shall state the amount of tax that is delinquent,
9 the amount of interest that has accrued, and a warning that failure to
10 pay this debt will eventually mean the owner will lose ownership of the
11 property and that the property may be sold at public auction for less
12 than what the owner might receive in a conventional sale. The county
13 treasurer shall assess the cost of mailing against the property.

14 (4) Three weeks prior to the date of sale, the county treasurer
15 shall, for each parcel included on the list of real property subject to
16 sale, serve such list and accompanying notice in the following manner:

17 (a) Personal or residence service as described in section 25-505.01
18 upon a person in actual possession or occupancy of the real property and
19 upon the person in whose name the title to the real property appears of
20 record who can be found in this state. If a person in actual possession
21 or occupancy of the real property cannot be served by personal or
22 residence service, service of the list and notice shall be made upon such
23 person by certified mail service or designated delivery service as
24 described in section 25-505.01, and the list and notice shall be sent to
25 the address of the property. If the person in whose name the title to the
26 real property appears of record cannot be found in this state or if such
27 person cannot be served by personal or residence service, service of the
28 list and notice shall be made upon such person by certified mail service
29 or designated delivery service as described in section 25-505.01, and the
30 list and notice shall be sent to the name and address to which the
31 property tax statement was mailed; and

1 (b) Certified mail or designated delivery service as described in
2 section 25-505.01 upon every encumbrancer of record found by title
3 search. The county treasurer shall cause the title search to be conducted
4 by a registered abstractor. The list and notice shall be sent to the
5 encumbrancer's name and address appearing of record as shown in the
6 encumbrance filed with the register of deeds.

7 (5) Personal or residence service shall be made by the county
8 sheriff of the county where service is made or by a person authorized by
9 section 25-507. The sheriff or other person serving the list and notice
10 shall be entitled to the statutory fee prescribed in section 33-117.

11 (6) The notice shall state the following: If you do not take action,
12 you risk losing your home or property. You are encouraged to speak with
13 an attorney for information on how to avoid losing your home or property.
14 If you cannot afford an attorney, information regarding free or low-cost
15 legal service may be available from the Nebraska Supreme Court.

16 Sec. 3. Section 77-1805, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 77-1805 Every printer who shall publish the such list and notice
19 described in section 77-1804 shall, immediately after the last
20 publication thereof, furnish to the treasurer of the proper county an
21 affidavit of publication made by the publisher, manager, or foreman of
22 such newspaper to whom the facts of publication are known. No printer
23 shall be paid for such publication who shall fail to furnish such
24 affidavit within ten days after the last publication. The county
25 treasurer shall also make, or cause to be made, an affidavit or
26 affidavits of the publication of such list and notice and service of such
27 list and notice as above required in section 77-1804, all of which shall
28 be carefully preserved by him or her in his or her office.

29 Sec. 4. Section 77-1818, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 77-1818 (1) The purchaser of any real property sold by the county

1 treasurer for taxes shall be entitled to a certificate in writing,
2 describing the real property so purchased, the sum paid, and the time
3 when the purchaser will be entitled to a deed, which certificate shall be
4 signed by the county treasurer in his or her official capacity and shall
5 be presumptive evidence of the regularity of all prior proceedings. Each
6 tax lien shall be shown on a single certificate. The purchaser acquires a
7 perpetual lien of the tax on the real property, and if after the taxes
8 become delinquent he or she subsequently pays any taxes levied on the
9 property, whether levied for any year or years previous or subsequent to
10 such sale, he or she shall have the same lien for them and may add them
11 to the amount paid by him or her in the purchase.

12 (2) Upon issuance of the certificate, the county treasurer shall
13 serve notice of the issuance of such certificate in the following manner:

14 (a) Personal or residence service as described in section 25-505.01
15 upon a person in actual possession or occupancy of the real property and
16 upon the person in whose name the title to the real property appears of
17 record who can be found in this state. If a person in actual possession
18 or occupancy of the real property cannot be served by personal or
19 residence service, service of the notice shall be made upon such person
20 by certified mail service or designated delivery service as described in
21 section 25-505.01, and the notice shall be sent to the address of the
22 property. If the person in whose name the title to the real property
23 appears of record cannot be found in this state or if such person cannot
24 be served by personal or residence service, service of the notice shall
25 be made upon such person by certified mail service or designated delivery
26 service as described in section 25-505.01, and the notice shall be sent
27 to the name and address to which the property tax statement was mailed;
28 and

29 (b) Certified mail or designated delivery service as described in
30 section 25-505.01 upon every encumbrancer of record found by title
31 search. The county treasurer shall cause the title search to be conducted

1 by a registered abstracter. The notice shall be sent to the
2 encumbrancer's name and address appearing of record as shown in the
3 encumbrance filed with the register of deeds.

4 (3) Personal or residence service shall be made by the county
5 sheriff of the county where service is made or by a person authorized by
6 section 25-507. The sheriff or other person serving the notice shall be
7 entitled to the statutory fee prescribed in section 33-117.

8 Sec. 5. Section 77-1837, Revised Statutes Cumulative Supplement,
9 2022, is amended to read:

10 77-1837 (1) At any time within nine months after the expiration of
11 three years after the date of sale of any real estate for taxes or
12 special assessments, if such real estate has not been redeemed and the
13 assessed value of the real estate is less than the redemption amount, the
14 purchaser or his or her assignee may apply to the county treasurer for a
15 tax deed for the real estate described in such purchaser's or assignee's
16 tax sale certificate. The county treasurer shall execute and deliver a
17 deed of conveyance for the real estate described in such tax sale
18 certificate if he or she has received the following:

19 (a) The tax sale certificate;

20 (b) The issuance fee for the tax deed and the fee of the notary
21 public or other officer acknowledging the tax deed, as required under
22 section 77-1823;

23 (c) Two assessments of the real estate completed by third parties
24 along with affidavits swearing to the identity and qualifications of the
25 parties completing the assessments and confirming that the assessed value
26 of the real estate is less than the redemption amount. If the county
27 assessor has assessed the value of the real estate at less than the
28 redemption amount, then only one assessment by a third party is
29 necessary;

30 (d) ~~(e)~~ For any notice provided pursuant to section 77-1832, the
31 affidavit proving service of notice, the copy of the notice, and the copy

1 of the title search required under section 77-1833; and

2 (e) ~~(d)~~ For any notice provided by publication pursuant to section
3 77-1834, the affidavit of the publisher, manager, or other employee of
4 the newspaper, the copy of the notice, the affidavit of the purchaser or
5 assignee, and the copy of the title search required under section
6 77-1835.

7 (2) The failure of the county treasurer to issue the deed of
8 conveyance if requested within the timeframe provided in this section
9 shall not impair the validity of such deed if there has otherwise been
10 compliance with sections 77-1801 to 77-1863.

11 (3) If the assessed value of the real estate is higher than the
12 redemption amount, then the purchaser or his or her assignee shall
13 foreclose the lien represented by the tax sale certificate pursuant to
14 section 77-1902.

15 Sec. 6. This act becomes operative on January 1, 2024.

16 Sec. 7. Original sections 77-1804, 77-1805, and 77-1818, Reissue
17 Revised Statutes of Nebraska, and sections 77-1802 and 77-1837, Revised
18 Statutes Cumulative Supplement, 2022, are repealed.