

## LEGISLATIVE BILL 419

Approved by the Governor February 22, 2000

Introduced by Coordsen, 32; Baker, 44; Bohlke, 33; Cudaback, 36; Dierks, 40; Hudkins, 21; Jones, 43; Kremer, 34; Matzke, 47; Raikes, 25; Schellpeper, 18; Schmitt, 41; Schrock, 38; Stuhr, 24; Vrtiska, 1; Wehrbein, 2

AN ACT relating to revenue and taxation; to amend sections 77-1359 and 77-1361, Revised Statutes Supplement, 1998; to change provisions relating to valuation of farm sites; to define and redefine terms; and to repeal the original sections.

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

Section 1. Section 77-1359, Revised Statutes Supplement, 1998, is amended to read:

77-1359. For purposes of sections 77-1359 to 77-1363:

(1) Agricultural land and horticultural land shall mean land which is primarily used for the production of agricultural or horticultural products, including wasteland lying in or adjacent to and in common ownership or management with land used for the production of agricultural or horticultural products. Land retained or protected for future agricultural or horticultural uses under a conservation easement as provided in the Conservation and Preservation Easements Act shall be defined as agricultural land or horticultural land. Land enrolled in a federal or state program in which payments are received for removing such land from agricultural or horticultural production shall be defined as agricultural land or horticultural land. Land that is zoned predominantly for purposes other than agricultural or horticultural use shall not be assessed as agricultural land or horticultural land; ~~and~~

(2) Agricultural or horticultural products shall include grain and feed crops; forages and sod crops; animal production, including breeding, feeding, or grazing of cattle, horses, swine, sheep, goats, bees, or poultry; and fruits, vegetables, flowers, seeds, grasses, trees, timber, and other horticultural crops;

(3) Farm home site shall mean not more than one acre of land contiguous to a farm site which includes an inhabitable residence and improvements used for residential purposes, and such improvements include utility connections, water and sewer systems, and improved access to a public road; and

(4) Farm site shall mean the portion of land contiguous to land actively devoted to agriculture which includes improvements that are agricultural or horticultural in nature, including any uninhabitable or unimproved farm home site.

Sec. 2. Section 77-1361, Revised Statutes Supplement, 1998, is amended to read:

77-1361. (1) Agricultural land and horticultural land used solely for agricultural or horticultural purposes shall constitute a separate and distinct class of property for purposes of property taxation. Agricultural land and horticultural land shall be classified using the agricultural land valuation manual issued by the Property Tax Administrator pursuant to section 77-1330 which shall be developed using the methods prescribed in section 77-1362.

(2) No residential, commercial, industrial, or agricultural building or enclosed structure or the directly associated land or site of the building or enclosed structure shall be assessed as agricultural land or horticultural land, except that land currently in use as a farm site not currently occupied or used for any other nonagricultural purpose shall be valued at the same assessed value as the contiguous agricultural land which is under the same ownership and is in use as agricultural land.

Sec. 3. Original sections 77-1359 and 77-1361, Revised Statutes Supplement, 1998, are repealed.