

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1363**

Introduced by McDonnell, 5.

Read first time January 17, 2024

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections  
2 76-901 and 76-903, Reissue Revised Statutes of Nebraska, sections  
3 55-901, 81-1220, and 81-12,114, Revised Statutes Cumulative  
4 Supplement, 2022, and section 81-12,243, Revised Statutes  
5 Supplement, 2023; to change provisions relating to the rate and  
6 disbursement of the documentary stamp tax, the Military Base  
7 Development and Support Fund, the Nebraska Film Office Fund, the  
8 Innovation Hub Cash Fund, and the Economic Recovery Contingency  
9 Fund; to harmonize provisions; to provide an operative date; and to  
10 repeal the original sections.

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

1 Section 1. Section 55-901, Revised Statutes Cumulative Supplement,  
2 2022, is amended to read:

3 55-901 (1) The Military Base Development and Support Fund is  
4 created. The fund shall be used to contribute to construction,  
5 development, or support on any military base, located in Nebraska, for  
6 purposes of improving mission retention and recruitment; supporting the  
7 morale, health, and mental wellness of military members and families; and  
8 growing the economic impact of military bases in Nebraska. The Department  
9 of Veterans' Affairs shall administer the fund. The fund shall consist of  
10 money received pursuant to section 76-903, transfers authorized by the  
11 Legislature, and any gifts, grants, or bequests from any source,  
12 including federal, state, public, and private sources, for such purposes.  
13 Any money in the fund available for investment shall be invested by the  
14 state investment officer pursuant to the Nebraska Capital Expansion Act  
15 and the Nebraska State Funds Investment Act.

16 (2) Money transferred to the fund under section 76-903 shall be used  
17 for funding businesses and amenities linked to military installations and  
18 enhancing business attraction and economic growth in Nebraska's military  
19 sector through distributions of:

20 (a) Five hundred thousand dollars annually for the United States  
21 Department of Defense SkillBridge program;

22 (b) Five hundred thousand dollars as a grant to programs providing  
23 mental health services for veterans;

24 (c) Five hundred thousand dollars for military research and  
25 development planning; and

26 (d) Five hundred thousand dollars to support veteran businesses;

27 (3) ~~(2)~~ The fund may be used for projects on military bases located  
28 in Nebraska, including, but not limited to:

29 (a) An outdoor airman amenity pavilion;

30 (b) Track and field stadium improvements;

31 (c) A parade-ground walking trail;

- 1 (d) Improvements at Willow Lakes Golf Course;
- 2 (e) Base Lake improvements;
- 3 (f) Landscape enhancements;
- 4 (g) Deterrence Park;
- 5 (h) Looking Glass Heritage Park;
- 6 (i) Quarters 13 comprehensive repairs, design, and construction; and
- 7 (j) B1000 Rooftop Garden.

8 ~~(4)~~ ~~(3)~~ The Department of Veterans' Affairs shall require a match of  
9 private funding in an amount equal to or greater than one-half of the  
10 total cost of any project listed in subsection ~~(3)~~ ~~(2)~~ of this section  
11 prior to authorizing an expenditure from the fund.

12 Sec. 2. Section 76-901, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 76-901 There is hereby imposed a tax on the grantor executing the  
15 deed as defined in section 76-203 upon the transfer of a beneficial  
16 interest in or legal title to real estate at the rate of three ~~two~~  
17 dollars and fifty ~~twenty-five~~ cents for each one thousand dollars value  
18 or fraction thereof. For purposes of sections 76-901 to 76-908, value  
19 means (1) in the case of any deed, not a gift, the amount of the full  
20 actual consideration thereof, paid or to be paid, including the amount of  
21 any lien or liens assumed, and (2) in the case of a gift or any deed with  
22 nominal consideration or without stated consideration, the current market  
23 value of the property transferred. Such tax shall be evidenced by stamps  
24 to be attached to the deed. All deeds purporting to transfer legal title  
25 or beneficial interest shall be presumed taxable unless it clearly  
26 appears on the face of the deed or sufficient documentary proof is  
27 presented to the register of deeds that the instrument is exempt under  
28 section 76-902.

29 Sec. 3. Section 76-903, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 76-903 The Tax Commissioner shall design such stamps in such

1 denominations as in his or her judgment will be the most advantageous to  
2 all persons concerned. When any deed subject to the tax imposed by  
3 section 76-901 is offered for recordation, the register of deeds shall  
4 ascertain and compute the amount of the tax due thereon and shall collect  
5 such amount as a prerequisite to acceptance of the deed for recordation.  
6 If a dispute arises concerning the taxability of the transfer, the  
7 register of deeds shall not record the deed until the disputed tax is  
8 paid. If a disputed tax has been paid, the taxpayer may file for a refund  
9 pursuant to section 76-908. The taxpayer may also seek a declaratory  
10 ruling pursuant to rules and regulations adopted and promulgated by the  
11 Department of Revenue. From each ~~three two~~ dollars and ~~fifty twenty-five~~  
12 cents of tax collected pursuant to section 76-901, the register of deeds  
13 shall retain ~~fifty-five~~ fifty cents to be placed in the county general  
14 fund and shall remit the balance to the State Treasurer who shall credit  
15 ~~or distribute: ninety-five cents of such amount to the Affordable Housing~~  
16 ~~Trust Fund, twenty-five cents of such amount to the Site and Building~~  
17 ~~Development Fund, twenty-five cents of such amount to the Homeless~~  
18 ~~Shelter Assistance Trust Fund, and thirty cents of such amount to the~~  
19 ~~Behavioral Health Services Fund.~~

20 (1) One dollar and twenty cents of such amount to the Affordable  
21 Housing Trust Fund for the purposes of providing at least:

22 (a) Fifteen percent to emerging developers;

23 (b) Fifteen percent for site preparation, including federal low-  
24 income housing tax credit eligible site preparation;

25 (c) Fifteen percent for populations at high risk of homelessness  
26 including, but not limited to, senior adults, individuals impacted by the  
27 criminal justice system, and individuals experiencing physical or  
28 developmental disabilities;

29 (d) Fifteen percent for development of affordable housing units  
30 eligible for federal low-income housing tax credits;

31 (e) Twenty percent for the Middle Income Workforce Housing

1 Investment Act; and

2 (f) Twenty percent for the Rural Workforce Housing Investment Act;

3 (2) Twenty-five cents of such amount to the Site and Building  
4 Development Fund;

5 (3) Twenty-five cents of such amount to the Homeless Shelter  
6 Assistance Trust Fund;

7 (4) Thirty-five cents of such amount to the Behavioral Health  
8 Services Fund;

9 (5) Ten cents of such amount to the Economic Recovery Contingency  
10 Fund for the establishment and operation of an office to pursue and  
11 coordinate grant funding on behalf of the state;

12 (6) Twenty-five cents of such amount to the Military Base  
13 Development and Support Fund to provide funding to support businesses and  
14 amenities linked to military installations and to enhance business  
15 attraction and economic growth in Nebraska's military sector through  
16 distributions of:

17 (a) Five hundred thousand dollars annually for the United States  
18 Department of Defense SkillBridge program;

19 (b) Five hundred thousand dollars as a grant to programs providing  
20 mental health services for veterans;

21 (c) Five hundred thousand dollars for military research and  
22 development planning; and

23 (d) Five hundred thousand dollars to support veteran businesses;

24 (7) Twenty-five cents of such amount to the Innovation Hub Cash Fund  
25 for the operational support of innovation hubs;

26 (8) Twenty-five cents of such amount among federally qualified  
27 health centers distributed in proportion to the total number of  
28 individuals served at each federally qualified health center; and

29 (9) Five cents of such amount to the Nebraska Film Office Fund.

30 Sec. 4. Section 81-1220, Revised Statutes Cumulative Supplement,  
31 2022, is amended to read:

1           81-1220 (1)(a) The Nebraska Film Office Fund is created. The fund  
2 shall be administered by the Department of Economic Development and used  
3 for grants for Nebraska-based films as provided in this section.

4           (b) The fund shall consist of money received pursuant to section  
5 76-903, funds transferred by the Legislature, gifts, grants, and  
6 bequests. It is the intent of the Legislature to transfer the unexpended  
7 and unobligated balance in the Nebraska Film Office Fund on June 30,  
8 2025, to the General Fund.

9           (c) Any money in the Nebraska Film Office Fund available for  
10 investment shall be invested by the state investment officer pursuant to  
11 the Nebraska Capital Expansion Act and the Nebraska State Funds  
12 Investment Act.

13           (2)(a) The department shall administer a grant program for Nebraska-  
14 based films and shall require applications to be submitted to the  
15 department prior to beginning production.

16           (b) To be eligible for a grant under the program, the applicant  
17 shall verify that:

18           (i) The film is to be produced in Nebraska;

19           (ii) The film tells a Nebraska story; and

20           (iii) At least fifty percent of the workforce for film production  
21 will be composed of Nebraska residents for the duration of the production  
22 except as otherwise provided in subdivision (c) of this subsection.

23           (c) The department may lower the fifty-percent requirement in  
24 subdivision (b)(iii) of this subsection but shall not waive the  
25 requirement. The applicant shall apply to the department to lower the  
26 requirement and provide a certification that the requirement is an  
27 unreasonable impediment to production of the film. The department shall  
28 notify the applicant of the decision under this subdivision.

29           (d) The department shall review each application to determine  
30 whether the film qualifies for a grant under this section and shall not  
31 award a grant that exceeds twenty-five percent of the projected

1 production cost of the film.

2 Sec. 5. Section 81-12,114, Revised Statutes Cumulative Supplement,  
3 2022, is amended to read:

4 81-12,114 (1) The Innovation Hub Cash Fund is created. The fund  
5 shall be administered by the department and shall consist of application  
6 fees received under section 81-12,110, money received pursuant to section  
7 76-903, funds transferred by the Legislature, and any other money as  
8 determined by the Legislature.

9 (2) The fund shall be used by the department for purposes of  
10 carrying out the Nebraska Innovation Hub Act. Money transferred to the  
11 fund under section 76-903 shall be used for the operational support of  
12 innovation hubs. Any money in the fund available for investment shall be  
13 invested by the state investment officer pursuant to the Nebraska Capital  
14 Expansion Act and the Nebraska State Funds Investment Act.

15 Sec. 6. Section 81-12,243, Revised Statutes Supplement, 2023, is  
16 amended to read:

17 81-12,243 (1) The Economic Recovery Contingency Fund is created. The  
18 fund shall consist of money received pursuant to section 76-903 and  
19 transfers by the Legislature to carry out the Economic Recovery Act. Any  
20 money in the fund available for investment shall be invested by the state  
21 investment officer pursuant to the Nebraska Capital Expansion Act and the  
22 Nebraska State Funds Investment Act. Investment earnings on and after  
23 July 1, 2023, shall be credited to the fund.

24 (2) Money transferred to the fund under section 76-903 shall be used  
25 for the establishment and operation of an office to pursue and coordinate  
26 grant funding on behalf of the state.

27 (3) (2) The Department of Economic Development may review the  
28 projects listed in the coordination plan and the appendices by the  
29 Economic Recovery Special Committee of the Legislature dated January 10,  
30 2023, and shall prioritize the use of the fund on projects listed in the  
31 coordination plan followed by the projects in the appendices.

1           Sec. 7. This act becomes operative on October 1, 2024.

2           Sec. 8. Original sections 76-901 and 76-903, Reissue Revised  
3 Statutes of Nebraska, sections 55-901, 81-1220, and 81-12,114, Revised  
4 Statutes Cumulative Supplement, 2022, and section 81-12,243, Revised  
5 Statutes Supplement, 2023, are repealed.