

**NEBRASKA TAXPAYERS FOR FREEDOM ISSUE PAPER:**

**INCREASE HOMESTEAD EXEMPTIONS FOR BELEAGUERED SENIOR CITIZENS.**

**BACKGROUND.** As home valuations soar across the country, property tax bills rise with them. Skyrocketing property valuations and property tax bills have shocked and infuriated senior citizens across NE. Many in this category are struggling to meet the prospect of growing inflation while aging in place on a fixed income. Even if these homeowners have hundreds of thousands of dollars of equity and savings, increasing taxes and the cost of living erode bank accounts and investment income. Many states offer better property tax relief to older homeowners than NE, helping to offset rising property taxes for seniors on fixed incomes and keeping them in their homes. States have different requirements for age, income, and residency, and seniors usually must apply on their own to receive the benefit. There are 3 primary types of property tax relief available to seniors:

- **Exemptions** reduce the assessed value of a home, lowering the overall tax bill.
- **Freezes** lock in the current property tax amount, even if your home value increases.
- **Credits** directly reduce your tax bill, based on specific qualifications.

All these tools can help seniors remain comfortable in their homes, for which they have spent decades paying off mortgages and now fear being taxed out of them.<sup>1</sup>

**THE NEBRASKA CONSEQUENCE.** Many states offer higher senior homestead exemption packages than NE, prompting older Nebraskans to move to these states, especially if they have family members residing there. Thus, our seniors are taking their disposal income to other states, enriching these states at the expense of NE.

**NEBRASKA EXEMPTION.** Our state homestead exemption applies to individuals 65 years old or older before January 1 of the application year. One must own and occupy a homestead from January 1 through August 15, have a qualifying household income, and annually file Form 458 Homestead Exemption Application and Form 458 Schedule I - Income Statement after February 2 and on or before June 30. A homestead defined as a residence or mobile home and the land surrounding it, not exceeding 1 acre in this state. The home assessed value must generally set less than 2 times the county average, up to a maximum allowed value. Owner means the owner of



record or the surviving spouse of the owner of record, an occupant purchasing and in possession of a homestead under a land contract, one of the joint tenants, or tenants in common, holder of a life estate in the homestead property, or a beneficiary of a trust that has an ownership interest in the homestead. The applicant must reside on the homestead property with the intention of maintaining the property as the owner's primary residence. A departure from the property for reasons of health or legal reasons does not disqualify the owner of

the property from receiving an exemption, if the owner demonstrates an intention to return to the property. Household income is the total of the previous year federal adjusted gross income (AGI) plus Social Security or railroad retirement income not included as taxable income in the AGI, NE adjustments increasing the total federal AGI, interest and dividends from NE and its subdivisions, and any carryforward of a net operating loss to the extent deducted for federal income tax purposes, of the applicant, spouse, and all other persons who own and occupy the homestead, minus deductible medical expenses which are in excess of 4% of household income calculated prior to the deduction for medical expenses. Applicants must provide proof of age through birth certificate or driver's license and proof of residency through utility bills, tax returns, W2s, or 1099 forms.

**BETTER EXEMPTIONS.** NE could copy or tweak ideas from other states to retain our senior citizens.

**Alabama:** This state exempts homeowners over 65 years old (and those blind or permanently disabled) from paying the state portion of property taxes. County-level taxes sometimes still apply although often reduced for seniors. In addition, homeowners 65 and older with a net annual taxable income of \$12,000 or less may qualify for a full exemption from all state, county, and municipal property taxes on their primary residence. The property must be owner-occupied and meet homestead requirements.

**Alaska:** Homeowners ages 65 and older receive an exemption for their first \$150,000 in property tax assessment. To qualify, one must have lived in Alaska for at least 1 year and occupy the property as a primary residence for at least 185 days per year.

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<sup>1</sup> Lisa Mailhot, [A Golden Break: States Offering Property Tax Relief for Seniors](#), June 13, 2025.

**Arizona:** Freezes the property value of a primary residence for qualifying seniors for a renewable period, preventing increases in assessed value.

**Arkansas:** Freezes the assessed value of a homestead for eligible seniors to prevent future increases in property taxes.

**California:** Allows for a minimum homestead exemption of \$300,000 and a maximum of the median sale price for a single-family home in the prior calendar year in a county to a maximum of \$600,000. Furthermore, the amounts indexed annually with inflation starting January 1, 2022, based on the California Consumer Price Index published by the Dept. of Industrial Relations. Therefore, counties will automatically update exemption amounts without the need for another act by the legislature. The Property Tax Postponement Program allows seniors 62 and older to defer current-year property taxes. Requirements include at least 40% equity in the home, household income of \$55,181 or less, and no reverse mortgage. The state pays your taxes and places a lien on your home; interest accrues at 7% annually. Applications accepted October through February, with funding distributed first-come, first-served. Proposition 19 allows seniors 55 and older to transfer their lower property tax assessment when moving to another home anywhere in California.

**Colorado:** Exempts 50% of the first \$200,000 of actual value of a qualifying senior citizen primary residence from property taxes, a potential savings of up to \$100,000 in taxable value. To qualify, one must be at least 65 years old and have owned and lived in the home for at least 10 consecutive years or meet exceptions to the requirements. Colorado also offers separate property tax deferral and tax work-off programs for seniors.

**District of Columbia:** Reduces property taxes by 50% for qualifying senior homeowners and caps annual tax increases at 2%. Seniors must be 65 or older and have proof of D.C. residency, like a driver's license or local voter registration. They must also occupy the property as their primary residence and meet yearly income requirements.

**Florida:** Florida homeowners aged 65 and older may qualify for a homestead exemption of up to \$50,722 for their permanent residence, besides the standard homestead exemption (which includes an inflation-adjusted component beginning in 2025). Eligibility depends on income limits and if the local government has adopted the senior exemption. Several municipalities also offer an additional exemption equal to the property's full assessed value for long-term, low-income seniors who meet age, residency, and home value requirements. All homesteaded properties also benefit from the Save Our Homes cap, which limits annual increases in assessed value.

This limitation prevents property taxes from rising higher than 3% annually or the percentage change in the Consumer Price Index (CPI), whichever is lower. Localities can offer an additional exemption for homeowners aged 65 and older, worth up to \$50,000 provided that income is \$37,694 or less, adjusted annually for inflation, and who have resided in their homes for 25 years or more.

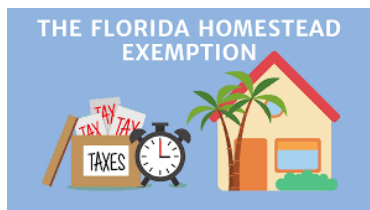
**Georgia:** Georgia provides a \$4,000 exemption from county property taxes for senior homeowners aged 65 and older who reside in the home as their primary residence. Qualifying seniors cannot earn more than \$10,000, not including income from retirement, pensions, disability, and Social Security. Homeowners who are 62 and older may claim additional exemptions from county educational taxes. More exemptions available depending on the county or municipality, with several offering significantly larger senior-specific reductions.

**Hawaii:** Senior citizens as primary residents can enjoy a home exemption of about \$160,000. In order to claim the exemption, one must be 65 years or older on or before June 30 of the preceding tax year. Exemption amount and eligibility date vary by county.

**Illinois:** The Senior Citizen Assessment Freeze Homestead Exemption freezes the equalized assessed value of the home for qualifying seniors aged 65 and older with total household income of \$75,000 or less, rising to \$79,000 by 2028.

**Indiana:** Indiana offers 2 property tax credits for qualifying seniors aged 65 and older, both applied for on the same form filed with the county auditor. The Over 65 Credit gives a \$150 direct credit on an annual tax bill. The Over 65 Circuit Breaker Credit caps annual property tax growth at 2% of the prior year homestead tax liability. Both credits require an adjusted gross income of \$60,000 or less (single) or \$70,000 or less (joint), and the home must have qualified for the homestead deduction in both the current and the prior year.

**Iowa:** Iowa homeowners aged 65 and older can receive an exemption of \$6,500 of their property's taxable value besides a homestead credit. Applicants can apply for the exemption on the same form they use to apply for the credit. The exemption is available to seniors who occupy the home as their primary residence and can provide proof of age. A 2026 proposal would limit local communities to collecting no more than 2% in additional property tax revenues each year. Homeowners would not pay property taxes on the first \$15,000 of their home's assessed valuation.



**Kentucky:** Kentucky exempts \$49,100 of assessed home value from property taxes for qualifying seniors aged 65 and older. The exemption applies to the state portion of property taxes on a primary residence, the exempt amount adjusted periodically. Qualifying homeowners submit an application to their county property valuation administrator.

**Louisiana:** Freezes property tax assessments for eligible seniors and exempts the first \$75,000 of home value from property taxes.

**Mississippi:** Exempts property taxes on the first \$75,000 of a home valuation for homeowners aged 65 and older. The property must be the applicant's primary residence as of January 1 of the application year.

**Montana:** Most residents with a single-family home, townhome, condominium, or other qualifying property in Montana subject to a tiered exemption rate system, ranging from 0.76% to 1.10% in 2026 compared to a flat 1.35% tax rate for most residences previously. Taxpayers who submit a homestead application to the Montana Dept. of Revenue website between December 1, 2025, and March 1, 2026, can qualify for this new system. Homeowners who qualified for the state's 2025 homestead flat rate typically automatically enrolled in next year's tier system, but one can use the state homestead enrollment tool to verify tax status. All non-qualifying residences for the new homestead exemption, mainly short-term rentals and vacation homes, will face taxes at a flat rate of 1.9%.

Montana also offers a refundable state income tax credit for homeowners aged 62 or older with a median income under \$45,000. In 2026, this credit is worth up to \$1,150. Because the credit is refundable, older adults receive a payment, even if they do not owe state income tax.

**New Hampshire:** Homestead exemption increases with age, e.g., 65, 75, 80.

**New Jersey:** The NJ new older adult property tax relief program, Stay NJ, makes its first payout early next year:

This Senior Freeze program reimburses eligible homeowners aged 65 and older for property tax increases above a base year amount, effectively preventing their tax bill from rising. Homeowners 65 and older who own a home for 12 months in a tax year could qualify. Household income must be \$500,000 or less to qualify. Tax savings from Stay NJ may reach \$6,500, depending on how much one pays on a property tax bill. Retirees in New Jersey also will continue to save on property tax bills with various other property tax relief programs in 2026. The ANCHOR program issues rebates in the fall of each year, worth up to \$1,750. Seniors can qualify for multiple programs through a single combined application.



**New York:** Localities in New York now have the option to offer eligible senior homeowners a property tax exemption of up to 65% of their home's assessed value. This change effective for taxable years beginning on or after January 1, 2026, and could save the average qualifying senior about \$300 per year. However, local governments must choose to adopt the higher exemption level. Income limits set locally and can vary widely, typically ranging up to \$50,000 for the full exemption, several jurisdictions offering partial exemptions at higher income levels. One must be age 65 or older and have an annual income that meets your locality's eligibility thresholds in order to qualify for this exemption. Applicants must generally own and occupy the property as their primary residence. Separate programs, such as Enhanced STAR, may provide additional school tax relief for eligible seniors. The property must be the homeowner's principal residence.

**North Carolina:** Exempts the greater of \$25,000 or 50% of a home's assessed value. Income limits apply and adjusted periodically. Alternatively, qualifying seniors may participate in a circuit breaker program that limits property taxes based on a percentage of their income rather than the home's value. Applicants must occupy the home as their primary residence.

**Ohio:** Ohio residents 65 and older can reduce the taxable value of their homes, if they qualify for the state homestead exemption, up to \$29,000 for taxpayers with \$40,000 in income or less. The exemption amount is adjusted annually for inflation, approximately \$28,000 in recent tax years. Starting in 2026, there will be \$2 billion in property tax savings over 3 years. Unvoted property tax hikes will be capped. This means that rates in the Buckeye State will not increase significantly without voter approval in future years. School district tax hikes also limited. This provision prevents sudden property tax hikes when property values rise.

**Oklahoma:** The Senior Valuation Limitation freezes the fair cash value of a qualifying homestead for seniors, stabilizing property tax bills and providing relief for an estimated 100,000 residents.

**Pennsylvania:** The Property Tax/Rent Rebate program provides rebates up to \$1,000 for seniors 65 and older with household income under \$45,000. Only half of Social Security income counts toward the income limit. Several counties offer additional relief; Allegheny County, for example, provides a 30% discount for seniors 60 and older who have owned and occupied their property for at least 10 years.

**South Carolina:** Exempts the first \$50,000 in fair market value for homeowners aged 65+. This benefit administered through the county auditor's office. Once granted, the exemption does not require annual renewal unless the ownership or status of the property changes.

**South Dakota:** Older residents in South Dakota can qualify for several types of property tax relief. First, homeowners age 65 and older qualify for a property tax freeze, locking in their current tax assessment no matter how much the market value rises. Low-income seniors also can apply for a property tax credit. Homeowners ages 70+ can defer property taxes in several cases until the property sells.

**Tennessee:** Counties and municipalities in Tennessee may adopt a local property tax freeze program for residents aged 65 and older. Qualifying homeowners have their tax bill frozen at the amount owed in their first year of eligibility.

**Texas:** Increased senior homestead exemption to \$200,000. Exemption for homeowners 65 and older (or disabled), worth up to \$60,000 in addition to this standard Texas homestead exemption. Local taxing units may offer an additional exemption of at least \$3,000. The state requires school districts to provide an additional \$10,000 homestead exemption for primary resident homeowners aged 65 or older besides the standard \$140,000 school tax homestead exemption. Texas offers a "tax ceiling" that freezes school district taxes at the amount one paid the year one turned 65. Once a senior receives this exemption, their school district property tax bill effectively frozen and cannot increase as long as they remain in the home. Even if your property value doubles, that portion of your tax



bill cannot increase. You only apply once; the exemption continues automatically. Seniors can also defer property taxes entirely, with 5% annual interest, until the home sold or ownership changes. Applicants can claim exemption only on one residence homestead. Texas Gov. Greg Abbott has published a "five-point property tax relief plan," whereby school district property taxes eliminated. State funding of public schools to replace lost school district property taxes. Property tax appraisal increases capped at 3%. A 2/3rds voter approval required for hiking local property taxes. Voters could initiate rollbacks of property tax rate increases.

**Washington:** One may claim an exemption if at least 61 years old in the prior year and have a household income of less than \$40,000. Income includes retirement and social security. Benefits tiered by income, ranging from an exemption from excess levies and part of the state school levy at the base level, up to an exemption on \$60,000 or 60% of assessed taxable value (whichever is greater) at the highest level. Depending on your income level, this exemption is standard, partial or full. This property tax exemption reduces what you owe and freezes your home's taxable value in the first year you qualify, so future levies based on that frozen value rather than rising market value. One must own and occupy a home for more than 6 months,

**Wyoming:** Homestead exemption of 25%. This tax benefit in the past was automatic but now requires an annual online application. To qualify, homeowners must have a property worth up to \$1 million in fair market value and must have owned and lived in the home for at least 8 months of the year.

**AHEAD.** Several states are attempting to pass additional exemptions for seniors:

**Maine:** LD 1541 would eliminate property taxes for seniors in the state entirely, providing the first of its kind relief.

**Michigan:** SB 292 would exempt seniors over the age of 70 in the state from paying property taxes.

**Minnesota:** HF403 would create a homestead tax credit for seniors aged 65+.

**Ohio:** A grassroots organization is leading an effort to abolish property taxes in the state by constitutional amendment.

**Oregon:** House Bill 3755 would exempt 5% of the property taxes for seniors who meet specific qualifications.

**Texas:** A proposal known as "Operation Double Nickel" would lower the age at which specific property tax benefits begin from 65 to 55. If enacted, the proposal would freeze school-related property tax valuations at the year a homeowner turns 55, preventing increases on that portion of the tax bill. Lawmakers estimate qualifying homeowners could save about \$900 to \$1,000 per year, or up to \$10,000 between ages 55 and 65.<sup>2</sup>

<sup>2</sup> The Mortgage Reports, Craig Berry, [Property Tax Exemption for Seniors | How to Qualify in 2026](#), March 16, 2026.

Rocket Mortgage, Ashley Cotter, [17 states that offer property tax relief for seniors](#), Apr. 6, 2026.

Realtor.Com, Allaire Conte, [16 States Exempt Senior Citizens from Property Taxes—but Nearly Every State Offers Some Kind of Relief](#), Sept. 18, 2025.

Kiplinger, Kate Schubel, [Retirees in These 7 States Could Pay Less Property Taxes Next Year](#), Dec. 18, 2025.

G. Brian Davis, [7 States Offering Big Tax Savings If You're a Senior Homeowner](#), Apr. 9, 2026.

## **BEST NE OPTIONS.**

1. Seniors have their tax bill frozen at the amount owed in their first year of eligibility.
2. Exempt senior citizens from paying all or a part of public school property taxes.
3. Freeze school district taxes at the amount one paid the year one turned 65. Once a senior receives this exemption, the school district property tax bill is effectively frozen and cannot increase as long as they remain in the home.
4. Homeowners ages 65 and older receive an exemption for their first \$..... in property tax assessment.
5. Exempt 50%-\$100% of the first \$..... of actual value of a qualifying senior citizen primary residence from property taxes.
6. Exempt a particular dollar amount of taxable value.
7. Limit the increase in valuations to 2%-3% or the increase in the Midwest Consumer Price Index.
8. Lower the valuation pegged to market value from the 92-100% range gradually to 80%.
9. Freeze the property valuation of a primary residence for qualifying seniors for a renewable period, preventing large tax increases.
10. Exempt the greater of \$..... or .....% of a home's assessed value.
11. Allow seniors 65 and older to transfer their lower property tax assessment when moving to another home anywhere in NE.
12. Reduce property taxes by ...% annually.
13. Stagger the amount of exemption by age increases, e.g., 65, then 70, then 75.
14. Offer a refundable state income tax credit for senior homeowners.
15. Reimburse eligible homeowners aged 65 and older for property tax increases above a base year amount.
16. Seniors could participate in a circuit breaker program that limits property taxes based on a percentage of their income rather than on their home's value.
17. Exclude all interest and dividends from calculating homestead exemptions.

**TAKE ACTION NOW.** Our state will continue to see our senior citizens flee to other states in order to avoid continued high property valuations and taxes, taking with them their institutional knowledge and disposable incomes. Only a large mobilized number of 65+ citizens can match and overcome the strong lobbying by local taxing authorities, particularly school districts, that want high property tax revenues. Only an avalanche of lobbying of our state senators by seasoned citizens can pressure the legislature to adopt expanded, statewide homestead exemptions. Using the above content, lobby your state senator today by letter, email, or phone call. Demand action in the 2027 session. Email [netaxpayers@gmail.com](mailto:netaxpayers@gmail.com) for state senator contact information and join our NTF *Legislature Watch Project*.

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