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***NEBRASKA TAXPAYERS FOR FREEDOM* ISSUE PAPER:**

NEBRASKA LEGISLATURE COULD LEARN FROM A FLORIDA PROPERTY TAX RELIEF LAW.

BACKGROUND. The State of Florida, joining many other states, passed legislation to alleviate the crushing property valuation/tax burden on its citizens. Despite predictions of government cataclysm from local taxing authorities and elected officials, the Florida legislature passed Bill 1-F, constitutional amendments, titled "Save Our Homes from Excessive Property Taxes" that contains many provisions to stabilize and control local property valuation/tax burdens for citizens. We encourage Nebraska state senators to glean helpful suggestions for our own tax relief from these Florida provisions.

HOMESTEAD EXEMPTIONS. The legislation offers a new homestead exemption for the first $150,000 of assessed valuation in 2027 and the first $250,000 of assessed valuation in 2028, then indexed to inflation beginning in 2029. However, this formula does not include public school taxes, controlled by another method.

SCHOOL TAXES. The expanded exemption would not apply to school district taxes. The existing $25,000 exemption of valuation would continue to apply to school taxes, so homeowners would effectively have 2 separate exemptions: a large one for county, city, and special-district taxes, and the existing smaller one for schools.[1]

LOCAL GOVERNMENTS. The legislature must provide a uniform procedure for cities, counties, and school districts to increase the amount of assessed valuation exempt from property taxes. Special districts could increase, by referendum, the amount of assessed value exempt from taxes and index that exemption amount to inflation. Lowers the existing limitation on the annual increase in assessments of 10% each year for residential and non-residential non-homestead property, including rentals, vacation homes, apartment buildings, and commercial property, to 5%. The bill limits the use of property tax revenue by counties and cities to specific purposes. Counties and cities limited to use property tax revenue for basic core needs like public safety (police, fire, and emergency medical), funding for education and public schools, finance or refinance of infrastructure, including expenditures on road and bridge construction and maintenance and stormwater control, finance or refinance of natural resource projects, including flood control measures, debt and bond obligations, and to make debt service payments for existing obligations for retirement benefits of local government employees. Also used for the operations and administration of county constitutional officers, boards of county commissioners, and municipalities, with expenditures approved by those officers and governing bodies, except as otherwise prohibited by general law. If voters approve the proposed constitutional amendments, legislative fiscal analysis estimates reduction in local government revenues by $4.6 billion in the first year and by $8.4 billion in the second year.

FURTHER HELP. The legislature passed Senate Bill 4-F to strictly cap how much local governments can raise their property tax rates, severely limiting their ability to offset the exemptions and avoid state intervention. It removes the provision that previously allowed local governments to increase the rolled-back rate based on Florida per-capita personal income growth, thus making the rolled-back rate the standard maximum. Local governments seeking to exceed the rolled-back rate face major obstacles. Rates up to 110% of the rolled-back rate require a 2/3rds vote, and a rate above that requires a unanimous taxing authority vote or a public vote. Notice to all property owners requires assessment information about the property, including the following: Each taxing authority levy, total tax each taxing authority levied on a parcel in the previous year, the proposed levies under the proposed budget, the total levied on the property, if the taxing authority made no taxing changes, the valuation that the county assessor placed on the property, reductions made to a valuation because of a classification or assessment limitation, exemptions granted on that property and the value of those exemptions, and notice of the preliminary budget hearing. Furthermore, state and local governments or individuals acting on behalf of such governments cannot expend or authorize the expenditure of public funds for a political advertisement or any other communication sent to electors regarding an issue, referendum, or amendment, including a state question, that is subject to a vote of the people. SB 4-F serves as the implementing legislation for Bill 1-F.

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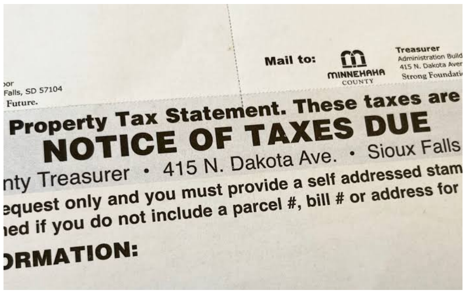
[1] Barnes Walker Law Firm, Florida Property Tax Update: The Amendment Now Headed to Your November 2026 Ballot, undated.

NOVEMBER VOTE. Florida voters will vote on these proposed constitutional amendments on Nov. 3, and, if passed by 60% of voters, they will take effect on Jan. 1, 2027.



PROSPECTS. Supporters describe the amendments as historic, overdue relief for homeowners squeezed by rising property values and point to provisions designed to protect funding for law enforcement, fire service, and other essential services. The state continues to explore consumption tax shifts as an alternative to property tax in long-term legislative proposals. To offset local revenue losses, the plan aims to shift the state tax burden toward consumption by creating a foundation to eventually eliminate homestead property taxes entirely. Shifting reliance onto consumption-based revenues will substitute for the billions of dollars in lost property tax revenue by taxing goods and transactions.

TAKE ACTION NOW. State senators during the summer already are assembling their legislative bills for the 2027 session. Therefore, it seems imperative for taxpayers to contact their respective state senators now and respectfully ask them to originate property valuation/tax relief, referring to the Florida proposals. Using the content above, lobby your state senator today. Email **netaxpayers@gmail.com** for senator contact information and join our NTF *Legislature Watch Project.*