

Proposal would give \$1.1B in property tax relief

LINCOLN (AP) — Nebraska property owners would get \$1.1 billion worth of annual tax relief under a proposal that supporters say they'll push in the Legislature and as an initiative petition drive.

A coalition of agricultural, business and homeowner interests crafted the proposal this summer with the goal of providing significant property tax relief, especially on agricultural land, said Sen. Steve Erdman of Bayard, a small city in western Nebraska.

"We've been talking about property tax relief for 40 years," he said. "It's really, really time to give it a shot."

Erdman said the proposal would provide income tax credits equal to 50 percent of the property taxes paid to school districts. He said property taxpayers could access the tax reduction through a refund or credit that he suggested might be funded by scaling back state spending, as well as eliminating some sales tax exemptions and business tax incentives.

"We have to, as a Legislature, make some cuts that actually count," he said. "We have got to finally say enough is enough."

Erdman intends to introduce the proposal as a bill during the legislative session that begins in January. He expects the coalition to meanwhile launch a petition drive to put the same proposal before voters next fall.

The lawmaker predicted that residents would back the proposal, especially in western and central Nebraska, where rural areas have been hard-hit by low agricultural commodity prices.

Several farm organizations will back the proposal, but the plan will need rural and urban support, Erdman said.

If the petition drive gains the required 85,000 signatures, the proposal would be placed on the general election ballot in 2018.