

DETERMINING ALLOWABLE GROWTH PERCENTAGE

Under the revisions of LB 644 to Nebraska Statute 77-1601.02, and district “that seeks to increase its property tax request by more than the allowable growth percentage shall participate in a joint public hearing.”

For purposes of the Property Tax Request Act:

1. Allowable growth percentage means a percentage equal to the sum of (a) two percent plus (b) the political subdivision's real growth percentage;
2. Excess value means an amount equal to the assessed value of the real property included in a tax increment financing project minus the redevelopment project valuation for such real property;
3. Property tax request means the total amount of property taxes requested to be raised for a political subdivision through the levy imposed pursuant to section 77-1601;
4. Real growth percentage means the percentage obtained by dividing (a) the political subdivision's real growth value by (b) the political subdivision's total real property valuation from the prior year;
5. Real growth value means and includes:
 - a. The increase in a political subdivision's real property valuation from the prior year to the current year due to:
 - 1) improvements to real property as a result of new construction and additions to existing buildings,
 - 2) any other improvements to real property which increase the value of such property,
 - 3) annexation of real property by the political subdivision, and
 - 4) a change in the use of real property; and
 - b. The annual increase in the excess value for any tax increment financing project located in the political subdivision.
6. Redevelopment project valuation has the same meaning as in section 18-2103; and

Tax increment financing project means a redevelopment project as defined in section 18-2103 that is financed through the division of taxes as provided in section 18-2147.