THE MEMBERS OF THE ONE HUNDRED SIXTH LEGISLATURE OF NEBRASKA, SECOND SESSION, RESOLVE THAT:

Section 1. At the general election in November 2020, the following proposed amendment to the Constitution of Nebraska shall be submitted to the electors of the State of Nebraska for approval or rejection:

To amend Article VIII, sections 1 and 12, and Article XIII, sections 2 and 4, and repeal Article VIII, sections 1A, 2, 3, 10, and 13:

VIII-1 Notwithstanding any other provision of this Constitution to the contrary, effective January 1, 2022, the State of Nebraska and all political subdivisions of the state shall be prohibited from imposing any form of taxation other than a single-rate consumption tax. The Legislature shall enact a single-rate consumption tax which shall begin no later than January 1, 2022. Such consumption tax shall apply to the consumption of new goods and services. The Legislature shall be prohibited from granting any exemptions from such consumption tax. The necessary revenue of the state and its governmental subdivisions shall be raised by taxation in such manner as the Legislature may direct. Notwithstanding Article I, section 16, Article III, section 18, or Article VIII, section 4, of this Constitution or any other provision of this Constitution to the contrary: (1) Taxes shall be levied by valuation uniformly and proportionately upon all real property and franchises as defined by the Legislature except as otherwise provided in or permitted by this Constitution; (2) tangible personal property, as defined by the
Legislature, not exempted by this Constitution or by legislation, shall all be taxed at depreciated cost using the same depreciation method with reasonable class lives, as determined by the Legislature, or shall all be taxed by valuation uniformly and proportionately; (3) the Legislature may provide for a different method of taxing motor vehicles and may also establish a separate class of motor vehicles consisting of those owned and held for resale by motor vehicle dealers which shall be taxed in the manner and to the extent provided by the Legislature and may also establish a separate class for trucks, trailers, semitrailers, truck-tractors, or combinations thereof, consisting of those owned by residents and nonresidents of this state, and operating in interstate commerce, and may provide reciprocal and proportionate taxation of such vehicles. The tax proceeds from motor vehicles taxed in each county shall be allocated to the county and the cities, villages, and school districts of such county; (4) the Legislature may provide that agricultural land and horticultural land, as defined by the Legislature, shall constitute a separate and distinct class of property for purposes of taxation and may provide for a different method of taxing agricultural land and horticultural land which results in values that are not uniform and proportionate with all other real property and franchises but which results in values that are uniform and proportionate upon all property within the class of agricultural land and horticultural land; (5) the Legislature may enact laws to provide that the value of land actively devoted to agricultural or horticultural use shall for property tax purposes be that value which such land has for agricultural or horticultural use without regard to any value which such land might have for other purposes or uses; (6) the Legislature may prescribe standards and methods for the determination of the value of real property at uniform and proportionate values; (7) in furtherance of the purposes for which such a law of the United States has been adopted, whenever there exists a law of the United States which is intended to protect a
specifically designated type, use, user, or owner of property or franchise from discriminatory state or local taxation, such property or franchise shall constitute a separate class of property or franchise under the laws of the State of Nebraska, and such property or franchise may not be taken into consideration in determining whether taxes are levied by valuation uniformly or proportionately upon any property or franchise, and the Legislature may enact laws which statutorily recognize such class and which tax or exempt from taxation such class of property or franchise in such manner as it determines; and (8) the Legislature may provide that livestock shall constitute a separate and distinct class of property for purposes of taxation and may further provide for reciprocal and proportionate taxation of livestock located in this state for only part of a year. Each actual property tax rate levied for a governmental subdivision shall be the same for all classes of taxed property and franchises. Taxes uniform as to class of property or the ownership or use thereof may be levied by valuation or otherwise upon classes of intangible property as the Legislature may determine, and such intangible property held in trust or otherwise for the purpose of funding pension, profit-sharing, or other employee benefit plans as defined by the Legislature may be declared exempt from taxation. Taxes other than property taxes may be authorized by law. Existing revenue laws shall continue in effect until changed by the Legislature.

VIII-12 For the purpose of rehabilitating, acquiring, or redeveloping substandard and blighted property in a redevelopment project as determined by law, any city or village of the state may, notwithstanding any other provision in the Constitution, and without regard to charter limitations and restrictions, incur indebtedness, whether by bond, loans, notes, advance of money, or otherwise. Notwithstanding any other provision in the Constitution or a local charter, such cities or villages may also pledge for and apply to the payment of the principal, interest, and any premium on such indebtedness
all taxes levied by all taxing bodies, which taxes shall be at such rate
for a period not to exceed fifteen years, on the assessed valuation of
the property in the project area portion of a designated blighted and
substandard area that is in excess of the assessed valuation of such
property for the year prior to such rehabilitation, acquisition, or
redevelopment.

When such indebtedness and the interest thereon have been paid in
full, such property thereafter shall be taxed as is other property in the
respective taxing jurisdictions and such taxes applied as all other taxes
of the respective taxing bodies.

XIII-2 Notwithstanding any other provision in the Constitution, the
Legislature may authorize any county or incorporated city or village,
including cities operating under home rule charters, to acquire, own,
develop, and lease real and personal property suitable for use by
manufacturing or industrial enterprises and to issue revenue bonds for
the purpose of defraying the cost of acquiring and developing such
property by construction, purchase, or otherwise. The Legislature may
also authorize such county, city, or village to acquire, own, develop,
and lease real and personal property suitable for use by enterprises as
determined by law if such property is located in blighted areas as
determined by law and to issue revenue bonds for the purpose of defraying
the cost of acquiring and developing or financing such property by
construction, purchase, or otherwise. Such bonds shall not become general
obligation bonds of the governmental subdivision by which such bonds are
issued. Any real or personal property acquired, owned, developed, or used
by any such county, city, or village pursuant to this section shall be
subject to taxation to the same extent as private property during the
time it is leased to or held by private interests, notwithstanding the
provisions of Article VIII, section 2, of the Constitution. The
acquiring, owning, developing, and leasing of such property shall be
deemed for a public purpose, but the governmental subdivision shall not
have the right to acquire such property by condemnation. The principal of
and interest on any bonds issued may be secured by a pledge of the lease
and the revenue therefrom and by mortgage upon such property. No such
governmental subdivision shall have the power to operate any such
property as a business or in any manner except as the lessor thereof.

Notwithstanding any other provision in the Constitution, the
Legislature may also authorize any incorporated city or village,
including cities operating under home rule charters, to appropriate such
funds as may be deemed necessary for an economic or industrial
development project or program subject to approval by a vote of a
majority of the registered voters of such city or village voting upon the
question. Subject to such vote, funds may be derived from property tax,
local option sales tax, or any other general tax levied by the city or village or generated from municipally owned utilities or grants,
donations, or state and federal funds received by the city or village
subject to any restrictions of the grantor, donor, or state or federal
law.

XIII-4 Notwithstanding any other provision in this Constitution, the
Legislature may authorize any county, city, or village to acquire, own,
develop, and lease or finance real and personal property, other than
property used or to be used for sectarian instruction or study or as a
place for devotional activities or religious worship, to be used, during
the term of any revenue bonds issued, only by nonprofit enterprises as
determined by law and to issue revenue bonds for the purpose of defraying
the cost of acquiring and developing or financing such property by
construction, purchase, or otherwise. Such bonds shall not become general
obligation bonds of the governmental subdivision by which such bonds are
issued, and such governmental subdivision shall have no authority to
impose taxes for the payment of such bonds. Notwithstanding the
provisions of Article VIII, section 2, of this Constitution, the
acquisition, ownership, development, use, or financing of any real or
personal property pursuant to the provisions of this section shall not affect the imposition of any taxes or the exemption therefrom by the Legislature pursuant to this Constitution. The acquiring, owning, developing, and leasing or financing of such property shall be deemed for a public purpose, but the governmental subdivision shall not have the right to acquire such property for the purposes specified in this section by condemnation. The principal of and interest on any bonds issued may be secured by a pledge of the lease and the revenue therefrom and by mortgage upon such property. No such governmental subdivision shall have the power to operate any such property as a business or in any manner except as the lessor thereof.

Article VIII, sections 1A, 2, 3, 10, and 13, of the Constitution of Nebraska are repealed.

Sec. 2. The proposed amendment shall be submitted to the electors in the manner prescribed by the Constitution of Nebraska, Article XVI, section 1, with the following ballot language:

A constitutional amendment to prohibit the state and all political subdivisions from imposing any form of taxation other than a single-rate consumption tax and to require the Legislature to enact such a tax.

For

Against.