

Information Guide

February 2024

Nebraska Homestead Exemption

Nebraska Homestead Exemption Application, Form 458
For filing after February 1, 2024, and on or before June 30, 2024

Overview:

The Nebraska homestead exemption program is a property tax relief program for the following categories of homeowners:

Category #	Category Description:	Information Guide Reference:
1.	Persons over age 65;	page 7
2.	Veterans totally disabled by a non-service-connected accident or illness;	page 7
3.	Qualified disabled individuals;	page 7
4V.	Qualified totally permanent disabled veterans;	page 7
4S.	Unremarried surviving spouse of a Category 4V veteran or surviving spouse of a Category 4V veteran who remarries after attaining the age of fifty-seven years;	page 8
5.	Veterans whose home was substantially contributed to by the Department of Veterans Affairs (VA) and their surviving spouses;	page 8
6.	Individuals who have a developmental disability; and	page 8
7.	Qualified totally temporary disabled veterans and their surviving spouses.	page 9

There are income and homestead value limits for categories 1, 2, 3 and 6. The income limits are on a sliding scale. There are no income and homestead value limits for categories 4V, 4S, 5, and 7. The State of Nebraska reimburses counties and other governmental subdivisions for the loss in tax revenue because of approved homestead exemptions.

This guidance document is advisory in nature but is binding on the Nebraska Department of Revenue (DOR) until amended. A guidance document does not include internal procedural documents that only affect the internal operations of DOR and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.

This guidance document may change with updated information or added examples. DOR recommends you do not print this document. Instead, sign up for the [subscription service](#) at revenue.nebraska.gov to get updates on your topics of interest.

Homestead Exemption Timeline

January	Department of Revenue (DOR) sends preprinted Homestead Exemption Applications Form 458 (applications) to the county assessors.
February 2	County Assessors mail the preprinted applications to prior-year applicants. It is the applicant's responsibility to timely file the application, Schedule I (if applicable) and any required documentation with the county assessor. Failure to timely file the properly completed application and applicable documentation will constitute a waiver of the homestead exemption for that year.
February 2 and on or before June 30	Annual filing period for applications. A Form 458 must be filed with the county assessor after February 1 and on or before June 30 each year for Categories 1, 2, 3, 4S, 5, 6 and 7. A 2024 Form 458 Schedule I must also be filed for Categories 1, 2, 3, and 6. Failure to properly file within this timeframe (with certain limited exceptions) will result in disapproval of the homestead exemption for the year. County assessors send Forms 458R, Notice of Rejection, to applicants not meeting ownership or occupancy requirements.
On or before July 20	The county board, where the homestead is located, by majority vote may extend the deadline for an applicant to file on or before July 20. Request to extend deadline must be submitted to the board in writing.
August 1	County assessors must forward approved applications to DOR.
September	DOR publishes certified average residential values for each county. These values are used when determining an applicant's maximum homestead exemption and maximum value for their homestead property.
Mid-October	DOR sends letters of approval, partial approval, or denial based on income to homestead exemption applicants.
October-November	County assessor sends out Form 458R to applicants notifying them of a reduction or rejection of homestead exemption due to maximum home value limitations.
December	County treasurers send property tax statements indicating the property tax obligation by the taxpayer and/or the homestead exemption amount.

Definitions:

Homestead. A homestead is a residence or mobile home, and up to one acre of land surrounding it, occupied by a person who is the owner of record or the surviving spouse of the owner of record from January 1 through August 15 in each year.

Qualified Disabled Individuals. The qualifying disabilities for homestead exemption purposes are:

1. A permanent physical disability and loss of the ability to walk without the use of a mechanical aid (braces, crutches, cane, walker, or wheelchair) or prosthetic device (**Category 3**);
2. Amputation of both arms above the elbow (**Category 3**);
3. A permanent partial disability of both arms in excess of 75% (**Category 3**); or
4. A developmental disability (**Category 6**) as defined in [Neb. Rev. Stat. § 83-1205](#).

Note: An individual who qualifies for Social Security disability does **not** automatically qualify for the Nebraska Homestead Exemption.

Veteran. A veteran is a person who has been on active duty in the armed forces of the U.S. or a citizen of the U.S. at the time of service with military forces of a government allied with the U.S., during the following date ranges:

- ❖ World War II, Dec. 7, 1941, to Dec. 31, 1946;
- ❖ Korean War, June 25, 1950, to January 31, 1955;
- ❖ Vietnam War, February 28, 1961, to May 7, 1975 (in the Republic of Vietnam);
- ❖ Vietnam War, August 5, 1964, to May 7, 1975;
- ❖ Lebanon, August 25, 1982, to February 26, 1984;
- ❖ Grenada, October 23, 1983, to November 23, 1983;
- ❖ Panama, December 20, 1989, to January 31, 1990;
- ❖ Persian Gulf War beginning August 2, 1990, to February 28, 1991; and
- ❖ Global War on Terror beginning September 14, 2001, to September 11, 2021.

Note: A veteran must have received an honorable discharge or general discharge under honorable conditions.

General Requirements for a Nebraska Homestead Exemption:

In addition to being eligible for a homestead exemption under one of the homestead categories discussed below, applicants must:

1. **Own The Homestead Property.** This means the applicant is the owner of record or the surviving spouse of the owner of record in the current year only; 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.
2. **Occupy The Homestead Property.** The owner of the homestead property must occupy the homestead from January 1 through August 15 each year.

Depending on the homestead exemption category, applicants may also need to comply with income and home value limitations.

Owner-Occupant Common Situations:

Owner-Occupant Defined. An owner-occupant is the owner of record or surviving spouse in the current year only; the 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.

Entity Ownership of Homestead Property. Property held in the name of an entity such as a corporation, partnership, or limited liability company do not qualify for homestead exemption.

Multiple Unmarried Owner/Occupants Living in One Homestead. If two eligible persons who are not married qualify for an exemption for the same property, it is necessary for both owner-occupants to file the Form 458 and Form 458 Schedule I - Income statement, if applicable, on or before June 30 with the county assessor to protect the homestead exemption in case one of the applicants dies prior to August 16.

Spouses Owning Two Residences or Mobile Homes. Spouses owning two residences or mobile homes may not receive two homestead exemptions unless each spouse lives in his or her own separate residence or mobile home. In this case, both spouses' incomes are combined to determine eligibility. In most cases, the residence or mobile home chosen as the primary residence or mobile home will be the homestead property.

Multiple Exemption Homesteads. Each homestead may only have one homestead exemption granted. If multiple homestead exemption applications are received for the same homestead, the application with the highest approved exemption will be applied.

Natural Disasters. If a natural disaster occurs between January 1 and August 15 of the year the Homestead Exemption Application was filed, which renders the residence or mobile home uninhabitable, the displaced applicant is still eligible if the applicant intends to rebuild or repair the homestead. See [Directive 22-3, Homestead Exemption Applications Following a Natural Disaster](#)

Nursing Home Resident. The occupancy requirements will continue to be met during a nursing home stay if:

1. The owner intends to return to the residence or mobile home;
2. The furnishings are left in place; and
3. The residence or mobile home is not sold, leased, or rented.

There is no limitation for how long the applicant can be in the nursing home if the above three conditions are met.

Assisted Living. Residents in assisted living facilities do not qualify for a homestead exemption unless the applicant can demonstrate they are receiving a level of care that they would in a nursing home.

Life Estate. If an applicant deeds the homestead to another party, but retains a life estate, the applicant with the life estate is considered an owner.

Deceased Applicant. If the applicant is single and dies prior to August 16 of the application year, the exemption is removed because the January 1 through August 15 occupancy requirement is not met.

If the applicant is married, the surviving spouse and minor children continue to benefit from the homestead exemption for that year only. The spouse must be eligible for a homestead exemption and file an application the following year to continue to receive a homestead exemption.

Filing Status:

Filing status information is required to determine the income limits used to calculate the percentage of relief, if any. The filing status may be either single, married or closely related.

- ❖ **Single** status is used when the homestead applicant filed a 2023 federal individual income tax return as "single" or "head of household" or would have filed as "single" or "head of household," if required to file a 2023 return.
- ❖ **Married** status is used when the homestead applicant filed a 2023 federal individual income tax return as "married, filing jointly" or "married, filing separately" or would have filed using "married, filing jointly" or "married, filing separately," if required to file a 2023 return.
 - Use the married filing status if the applicant has not remarried in the year of their spouse's death and will be filing a joint return for the year in which their spouse died.

- ❖ **Closely related** is used when the homestead applicant would have filed a 2023 federal individual income tax return as “single” or “head of household,” but lives with a brother, sister, parent, or child who is also an owner-occupant of the homestead. “Closely related” applicants are subject to the same income criteria as “married” applicants.

Income Information (Not Applicable to Categories 4V, 4S, 5 or 7).

Household Income. Household income is used to determine if any income limits apply to applicable applicants. Household income is the total of the previous year’s federal adjusted gross income (AGI), **plus**:

1. Social Security or railroad retirement income that was not included as taxable income in the AGI;
2. Any Nebraska adjustments increasing federal AGI (line 12 of the Nebraska Individual Income Tax Return, Form 1040N, filed when reporting Nebraska income tax);
3. Interest and dividends from Nebraska and its subdivisions’ obligations; and
4. 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 four percent of household income calculated prior to the deduction for medical expenses.



2024 Household Income Table

• Table subject to change
• Income based on 2023 income sources

Household Income Table				
Over Age 65		Percentage of Relief	Disabled Veterans & Disabled Individuals	
Single	Married, closely related, or widowed		Single	Married, closely related, or widowed
\$ 0 – 34,900.99	\$ 0 – 41,000.99	100%	\$ 0 – 39,300.99	\$ 0 – 45,000.99
34,901 – 36,700.99	41,001 – 43,200.99	90%	39,301 – 41,100.99	45,001 – 47,200.99
36,701 – 38,500.99	43,201 – 45,400.99	80%	41,101 – 42,900.99	47,201 – 49,400.99
38,501 – 40,300.99	45,401 – 47,600.99	70%	42,901 – 44,800.99	49,401 – 51,600.99
40,301 – 42,200.99	47,601 – 49,800.99	60%	44,801 – 46,600.99	51,601 – 53,900.99
42,201 – 44,000.99	49,801 – 52,000.99	50%	46,601 – 48,400.99	53,901 – 56,100.99
44,001 – 45,800.99	52,001 – 54,200.99	40%	48,401 – 50,200.99	56,101 – 58,300.99
45,801 – 47,600.99	54,201 – 56,500.99	30%	50,201 – 52,000.99	58,301 – 60,500.99
47,601 – 49,400.99	56,501 – 58,700.99	20%	52,001 – 53,900.99	60,501 – 62,700.99
49,401 – 51,300.99	58,701 – 60,900.99	10%	53,901 – 55,700.99	62,701 – 64,900.99
51,301 and over	60,901 and over	0%	55,701 and over	64,901 and over

Determination of Applicant’s Income. To determine the income level of the applicant, the income reported on the Form 458 Nebraska Schedule I, the income tax returns filed by the applicant, the Social Security Administration, and the Railroad Retirement Board will be reviewed. Passive Income (for example, capital gains, interest, dividends, retirement benefits, pensions, IRA withdrawals) is included as household income.

Income of “Closely Related” Individuals. If the names of closely related individuals are on the deed as owners and they occupy the homestead, their income will be considered in determining eligibility like that of a married applicant. Closely related individuals need to complete their own Form 458 Nebraska Schedule I. “Closely related” means the applicant is either a brother, sister, parent, or child of another owner-occupant.

Social Security Retirement Income. Social Security retirement income must be included

whether or not an income tax return is filed. Medicare premiums may not be subtracted from Social Security Income. However, Medicare Part B and Part D premiums are allowable medical expenses.

Using the Previous Year's Income to Determine Homestead Exemption Eligibility. County assessors must complete their current year's property lists, including homestead exemptions, by December 1; but the current year's tax information is not reported until the following April 15. As a result the previous year's household income is used.

Income Disqualification. Income which exceeds the statutory limit will result in disqualification of the homestead exemption for one year. However, a new application may be filed the following year.

Deductible Medical and Dental Expenses. Deductible medical and dental expenses are those incurred and paid by the claimant, spouse, and any owner/occupant. These expenses must be more than 4% of the calculated household income prior to deducting the medical expenses. The allowed medical and dental expenses are the out-of-pocket (non-reimbursed) costs of:

1. Health insurance premiums (employer-sponsored health insurance plans excluded); and
2. Goods and services that restore or maintain health which were purchased from a licensed health practitioner or licensed health care facility.

Insulin and prescription medicine may be included, but nonprescription medicine cannot be included. [IRS Publication 502](#) contains more information on medical and dental expenses.

Errors in Reporting Income and/or Medical Expenses. If an error in reporting income and/or medical expenses is discovered, the Tax Commissioner must be notified within three years after December 31 of the application year to have a homestead exemption reconsidered. If income tax returns were filed, the income tax returns must also be amended if the item being changed is included on the returns.

The applicant will be notified of income discrepancies resulting in an erroneous homestead exemption within three years of the application year. The applicant will receive a corrected statement for the appropriate property tax due, plus possible interest and penalty, payable to the county treasurer.

If the Tax Commissioner approves a homestead exemption based on amended household income, a refund of any taxes paid will be issued by the county treasurer in the county where the taxes were paid.

Transfer of a Homestead Exemption if a New Homestead is Purchased. If an application for exemption of the original homestead is filed in a timely manner and the applicant becomes the owner of a new homestead prior to August 15 and occupies the new homestead by August 15, an Application for Transfer, Form 458T, must be filed with the county assessor by August 15.

If an applicant receives a notice of rejection, Form 458R, from the county assessor, the applicant must file an Application for Transfer, Form 458T, within 30 days of receipt of the notice of rejection from the county assessor for the filed homestead exemption application.

If a new homestead is purchased in a different Nebraska county by August 15, the Form 458T must be filed with the county assessor in the county where the new homestead was purchased by August 15.

Homestead Exemption Categories and Requirements:

Category 1: Persons Over Age 65 (Regulation 45-002.15)

- ❖ Be 65 years of age or older before January 1 of the application year.
- ❖ Own and occupy a homestead continuously from January 1 through August 15.
- ❖ Have a qualifying household income - see income table page 5.
- ❖ **Annually** file Form 458, Homestead Exemption Application, and the Form 458 Schedule I - Income Statement, after February 1 and on or before June 30.

Category 2: Veterans Totally Disabled by a Non-Service-Connected Accident or Illness (Regulation 45-002.17, 45-002.18, and 45-002.21)

- ❖ Own and occupy a homestead continuously from January 1 through August 15.
- ❖ Have a qualifying household income - see income table page 5.
- ❖ **Annually** file Form 458, Homestead Exemption Application, and Form 458 Schedule I - Income Statement after February 1 and on or before June 30.
- ❖ **Form 458B, Certification of Disability for Homestead Exemption, or a certification of disability from the VA is required the first year of application and in years ending in 0 or 5.** All forms must be filed with the county assessor after February 1 and on or before June 30 each year. If the Form 458B or certification of disability from the VA is not filed with the county assessor for the first year's filing and in years ending in 0 or 5, the veteran will not qualify for the homestead exemption for that year.

Category 3: Qualified Disabled Individuals (Regulation 45-002.16)

- ❖ Must be considered disabled on or before January 1 of the year for which the application is made.
- ❖ Own and occupy a homestead continuously from January 1 through August 15.
- ❖ Have a qualifying household income - see income table page 5.
- ❖ **Annually** file Form 458, Homestead Exemption Application, and Form 458 Schedule I - Income Statement after February 1 and on or before June 30.
- ❖ **Form 458B, Certification of Disability for Homestead Exemption, must be submitted in the first application year and upon request.** The Form 458B must be completed by a qualified medical practitioner (a physician, physician assistant, or advanced practice registered nurse) and filed with the county assessor after Feb. 1 and on or before June 30. If the Form 458B is not filed with the county assessor, the individual will not qualify for the homestead exemption for that year ([Reg. 45-004.05A](#)).

Category 4V: Qualified Disabled Veterans with 100% Service-Connected Permanent Disability. (Regulation 45-002.17, 45-002.18, and 45-002.21)

- ❖ Own and occupy a homestead continuously from January 1 through August 15.
- ❖ **Form 458, Homestead Exemption Application, and a certification of disability from the VA are required when first applying and in years ending in 0 or 5.** The VA certification must state that veteran has a 100% permanent service-connected disability.
- ❖ Failure to file all forms with the county assessor after February 1 and on or before June 30 in required years will result in a veteran not qualifying for the homestead exemption for that year and having to apply the following year.
- ❖ The five-year period between years when homestead exemption applications and VA

certifications are required is referred to as the exemption period. If a category 4V veteran passes away during the exemption period and leaves a surviving spouse, that spouse receives the homestead exemption for the remainder of the exemption period. After the conclusion of the five-year exemption period, the surviving spouse would apply annually under category 4S.

Category 4S: Spouses of Qualified Veterans. (Regulation 45-002.17, 45-002.18, and 45-002.21)

- ❖ A homestead exemption is available to the un-remarried surviving spouse or a surviving spouse who remarries after attaining the age of 57 of:
 - Any veteran who died because of a service-connected disability;
 - A servicemember whose death while on active duty was service-connected;
 - A servicemember who died while on active duty during wartime; or
 - A veteran who received compensation from the VA because of a 100% permanent disability that was service connected.
- ❖ Own and occupy a homestead continuously from January 1 through August 15.
- ❖ **Annually** file Form 458, Homestead Exemption Application, after February 1 and on or before June 30.
- ❖ **Certification of disability from the VA is required with first application and in years ending in 0 or 5.** All forms must be filed with the county assessor after February 1 and on or before June 30 for the required year. If certification of disability from the VA is not filed with the county assessor, the spouse will not qualify for the homestead exemption for that year.

Category 5: Qualified Paraplegic or Multiple Amputee Veterans Whose Homestead is Substantially Contributed to by the VA (Regulation 45-002.17, 45-002.18, and 45-002.21)

- ❖ Own and occupy a homestead continuously from January 1 through August 15.
- ❖ **Annually** file Form 458, Homestead Exemption Application, and certification from the VA after February 1 and on or before June 30.
- ❖ All forms must be filed with the county assessor after February 1 and on or before June 30 for the required year. If certification of disability from the VA is not filed with the county assessor, the veteran will not qualify for the homestead exemption for that year.

Category 6: Qualified Individuals with Developmental Disability

- ❖ Must be considered disabled on or before January 1 of the year for which the application is made (Reg. 45-002.16).
- ❖ Own and occupy a homestead continuously from January 1 through August 15.
- ❖ Have a qualifying household income - see income table page 5.
- ❖ **Annually** file Form 458 and a Form 458 Schedule I – Income Statement after Feb. 1 and on or before June 30.
- ❖ A completed Certification of Disability for Homestead Exemption, Form 458B, must be filed with the Form 458 the first year and upon request. If a Form 458B is not filed with the county assessor, the individual will not qualify for the homestead exemption for that year (Reg. 45 - 004.05A).
- ❖ Form 458B for must be completed by the Deputy Director of the Division of Developmental Disabilities, Department of Health, and Human Services.

Category 7: Qualified Disabled Veterans with 100% Service-Connected Temporary Disability (Regulation 45-002.17, 45-002.18, and 45-002.21)

- ❖ Own and occupy a homestead continuously from January 1 through August 15.
- ❖ Annually file Form 458 after February 1 and on or before June 30.
- ❖ **Certification of disability from the VA is required with first application and in years ending in 0 or 5.** All forms must be filed with the county assessor after February 1 and on or before June 30 for the required year. If certification of disability from the VA is not filed with the county assessor, the veteran will not qualify for the homestead exemption for that year.

*** See Category Chart on Department of Revenue Forms Page for a summary of documents required to be filed for the above categories***

Other Homestead Information:

Late Applications. Pursuant to [Neb. Rev. Stat. §77-3512](#) there are three ways a homestead exemption application may be submitted after June 30:

1. The applicant requests in writing to the county board of the county in which the homestead is located requesting that the homestead exemption deadline be extended to on or before July 20 in the year of application and the county board grants the request.

Note: extensions may not be granted to applicants who received an extension in the immediately preceding year.

2. If the applicant's spouse passed away during the year of application and the applicant includes a copy of the spouse's death certificate with the Form 458, Homestead Exemption Application when filing it with the county on or before June 30 in year following the application year.
3. If the applicant experienced a medical condition that prevented them from timely filing their homestead exemption. A licensed medical practitioner must certify that the applicant's medical condition prevented them from applying. See Form 458L, Physician's Certification for Late Homestead Exemption Filing.

In situations 2 and 3 above, a late application and any required documentation is due on or before June 30 in year following the application year. For example, if the homestead exemption application was originally due on or before June 30, 2024, then under these provisions late applications can be filed on or before June 30, 2025.

In addition, a Form 458 Schedule I – Income Statement may be filed late if a federal income tax extension has been approved. The Form 458 application **MUST** still be filed by June 30 to the county assessor. However, with the federal extension the Schedule I must be submitted to the county assessor by the October 15 extension due date (or per the IRS October due date), or the application will be denied.

Appeal of a Denied Homestead Exemption Application. The applications are denied at either the county or state level and handled in different ways.

- ❖ If a written rejection notice from the county assessor is received, an appeal may be filed with the county board of equalization within 30 days of the date the notice is received.
- ❖ If a denial notice from the Tax Commissioner is received, a Petition for Redetermination, Form 458P, may be filed with DOR within 30 days of receipt of the notice. The petition must state the reasons for the petition for redetermination, the name and address of the

applicant, and a request for relief.

Note: A homestead exemption appeal **cannot be used to protest property valuations**. If an applicant is concerned that the value of their homestead will result in a reduction or rejection of their homestead exemption, the value of the homestead must be protested on or before June 30.

Rejection or Reduction of Homestead Exemption Due to Exceeding Maximum Value. After receiving a determination letter from DOR, an applicant may receive a Form 458R, Notice of Reduction/Rejection of Homestead Exemption, from their county assessor due to their homestead's assessed value exceeding their county's maximum value and reducing the applicant's exempt amount. Put another way, because homestead exemption is means-tested property relief there are statutory limits for most categories regarding how much of an applicant's homestead value can be exempted.

Homestead Value Limitations. For homesteads valued at or above the maximum value, the exempt amount shall be reduced by ten percent for each \$2,500.00 of value by which the homestead exceeds the maximum value. Any homestead which exceeds the maximum value by \$20,000.00 or more is not eligible for an exemption.

Disqualification of the Homestead Exemption. If an owner does not qualify for an exemption, tax on the property will be due in full. A tax statement will be sent from the county treasurer in December. A new application may be filed the following year.

Payment of Property Tax When a Homestead Exemption is Granted. When an exemption is granted, the taxpayer's obligation is met by the State paying the tax directly to the county treasurer. If a partial exemption is granted, the remaining portion must be paid by the property owner.

Review of a Homestead Exemption Percentage. A granted homestead exemption percentage is subject to change based upon the review by the Tax Commissioner of any information necessary to determine whether an application is in compliance with state law. Action by the Tax Commissioner can be taken within three years after December 31 of the year in which the homestead exemption was claimed.

Help Prevent Homestead Exemption Fraud. If you know or suspect an individual is receiving a homestead exemption illegally, you may report it anonymously by calling DOR at 888-475-5101. All information will remain confidential.

Resources and Forms:

[Nebraska Homestead Exemption Statutes](#)

[Nebraska Homestead Exemption Regulations](#)

[Nebraska Homestead Forms](#)

revenue.nebraska.gov/PAD

888-475-5101, Fax 402-471-5993

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