



Distress Warrant Fees

Overview

Purpose

A distress warrant authorizes a court officer to distrain property, or allows an officer to seize a tenant's goods for failing to pay rent due to the landlord. Per Neb. Rev. Stat. § 77-1718, distress warrants are used to collect delinquent taxes on personal property and real estate taxes on mobile homes, cabin trailers, manufactured homes and similar property, and are issued by treasurers and collected by sheriffs.

Pursuant to Neb. Rev. Stat. § 77-1718, if taxes aren't paid by September 1, if or the owner hasn't filed a poverty affidavit, the treasurer sends a letter to the owner that a distress warrant will be issued. The letter must be mailed at least 20 days prior to the issuance of the distress warrant, which must be issued on or before November 1.

Per Neb. Rev. Stat. § 77-1919, the sheriff makes an effort to collect the taxes in the same manner as an execution issued by the district court. Within nine months (or two years in counties over 100,000), the sheriff returns the distress warrant to the treasurer with an endorsement that the taxes were collected, no property could be found, or the owner has filed a poverty affidavit with the sheriff and the property isn't worth the cost of advertising the sale.

The sheriff reports this to the county board on or before August 1 and the treasurer verifies the report to the board on or before October 1. The treasurer makes an itemized list that shows any failure to collect or make a legal return. Some partial payments can be accepted.

The existing fees for the distress warrants are listed in Neb. Rev. Stat. § 77-1720, and include \$2 for each warrant, \$1 for each levy, and mileage. Sheriffs are permitted a commission in addition on all taxes collected by distress and sale as follows: On all sums not exceeding \$100, ten cents on each dollar; and on all sums exceeding \$100, eight cents on each dollar. The collected fees, mileage, and commissions are deposited into the county's general fund.

Stakeholders

- County residents
- Counties
- Sheriffs' Offices

Financial Analysis

Distress Warrant Fees

Nebraska Revenue

NACO analyzed two years of county budget data (FY22-23) obtained from the Nebraska State Auditor. The following table shows the annual distress warrant fees by county size, which includes the following categories:

Small (less than 5,000 residents): Arthur, Banner, Blaine, Boyd, Brown, Chase, Deuel, Dundy, Franklin, Frontier, Furnas, Garden, Garfield, Gosper, Grant, Greeley, Harlan, Hayes, Hitchcock, Hooker, Keya Paha, Kimball, Logan, Loup, McPherson, Morrill, Nance, Nuckolls, Pawnee, Perkins, Rock, Sherman, Sioux, Thayer, Thomas, Valley, Webster, and Wheeler.

Medium (5,000-50,000 residents): Adams, Antelope, Boone, Box Butte, Burt, Butler, Cass, Cedar, Cherry, Cheyenne, Clay, Colfax, Cuming, Custer, Dakota, Dawes, Dawson, Dixon, Dodge, Fillmore, Gage, Hamilton, Holt, Howard, Jefferson, Johnson, Kearney, Keith, Knox, Lincoln, Madison, Merrick, Nemaha, Otoe, Phelps, Pierce, Platte, Polk, Red Willow, Richardson, Saline, Saunders, Scotts Bluff, Seward, Sheridan, Stanton, Thurston, Washington, Wayne, and York.

Large (more than 50,000 residents): Buffalo, Douglas, Hall, Lancaster, and Sarpy.

Current vs. Projected Revenue (Distress Warrants)		Total Current Revenue	Total Projected Revenue
County Size	Number of Distress Warrants	\$2 fee	\$20 fee
Small (< 5,000)	657	\$1,314	\$13,136
Medium (5,000-50,000)	3,989	\$7,978	\$79,775
Large (> 50,000)	6,764	\$13,529	\$135,287
Total	11,410	\$22,820	\$228,198

Recommendations

Distress Warrant Fees

LB900

LB900 is part of an effort brought by the Nebraska Association of County Officials to have fees reflect the cost of providing the service. This bill would adjust the fees for issuing distress warrants.

This bill would increase the fee for issuing distress warrants from \$2 to \$20 to more accurately reflect the costs incurred by county sheriffs in collecting delinquent personal property taxes. The rate was last increased in 1989, when it was raised from fifty cents to \$2. For perspective, the fee was 25 cents in 1947.

This same fee increase was proposed last year as part of the right-sizing of fees in LB468, the bill to reduce inheritance taxes and provide replacement revenue to counties. To be clear, however, this is a rate change which should have happened regardless to cover the cost of government.

In this bill, the \$1 fee for levying the distress warrant would be rolled into the \$20 fee. Sheriffs would continue to collect mileage but convoluted procedures about prorating the mileage among trips would be eliminated.

The commission of ten cents of sums collected up to \$100 and eight cents on amounts in excess of \$100 would be adjusted to change rates at \$500, rather than \$100, to reflect inflation, but the rates themselves wouldn't change.

This bill isn't a policy change. It's an effort to make fees reflect the cost of services.

Nebraska Statutes

- Neb. Rev. Stat. § 33-117
- Neb. Rev. Stat. § 60-3187
- Neb. Rev. Stat. § 77-1214
- Neb. Rev. Stat. § 77-1718
- Neb. Rev. Stat. § 77-1720
- Neb. Rev. Stat. § 77-1919
- Neb. Rev. Stat. § 77-27,132

Additional References

NACO County Treasurers Handbook, 2024
NACO County Sheriffs Handbook, 2024
[Nebraska Auditor of Public Accounts](#)