

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 829

Introduced by Schumacher, 22.

Read first time January 13, 2014

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 77-2701.35, Reissue Revised Statutes of Nebraska; to
3 exempt separately stated postage charges from sales and
4 use tax; to provide an operative date; and to repeal the
5 original section.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2701.35, Reissue Revised Statutes
2 of Nebraska, is amended to read:

3 77-2701.35 (1) Sales price applies to the measure subject
4 to sales tax and means the total amount of consideration, including
5 cash, credit, property, and services, for which personal property or
6 services are sold, leased, or rented, valued in money, whether
7 received in money or otherwise, without any deduction for the
8 following:

9 (a) The seller's cost of the property sold;

10 (b) The cost of materials used, the cost of labor or
11 service, interest, losses, all costs of transportation to the seller,
12 all taxes imposed on the seller, and any other expense of the seller;

13 (c) Charges by the seller for any services necessary to
14 complete the sale;

15 (d) Delivery charges, except for United States postage
16 charges on direct mail that are separately stated on the invoice,
17 bill of sale, or similar document given to the purchaser; and

18 (e) Installation charges.

19 (2) Sales price includes consideration received by the
20 seller from third parties if:

21 (a) The seller actually receives consideration from a
22 party other than the purchaser and the consideration is directly
23 related to a price reduction or discount on the sale;

24 (b) The seller has an obligation to pass the price
25 reduction or discount through to the purchaser;

1 (c) The amount of the consideration attributable to the
2 sale is fixed and determinable by the seller at the time of the sale
3 of the item to the purchaser; and

4 (d) One of the following criteria is met:

5 (i) The purchaser presents a coupon, certificate, or
6 other documentation to the seller to claim a price reduction or
7 discount when the coupon, certificate, or documentation is
8 authorized, distributed, or granted by a third party with the
9 understanding that the third party will reimburse any seller to whom
10 the coupon, certificate, or documentation is presented;

11 (ii) The purchaser identifies himself or herself to the
12 seller as a member of a group or organization entitled to a price
13 reduction or discount. A preferred customer card that is available to
14 any patron does not constitute membership in such a group; or

15 (iii) The price reduction or discount is identified as a
16 third-party price reduction or discount on the invoice received by
17 the purchaser or on a coupon, certificate, or other documentation
18 presented by the purchaser.

19 (3) Sales price does not include:

20 (a) Any discounts, including cash, terms, or coupons that
21 are not reimbursed by a third party that are allowed by a seller and
22 taken by a purchaser on a sale;

23 (b) Interest, financing, and carrying charges from credit
24 extended on the sale of personal property or services, if the amount
25 is separately stated on the invoice, bill of sale, or similar

1 document given to the purchaser;

2 (c) Any taxes legally imposed directly on the consumer
3 that are separately stated on the invoice, bill of sale, or similar
4 document given to the purchaser; and

5 (d) Credit for any trade-in as follows:

6 (i) The value of property taken by a seller in trade as
7 all or a part of the consideration for a sale of property of any kind
8 or nature; or

9 (ii) The value of a motor vehicle or motorboat taken by
10 any person in trade as all or a part of the consideration for a sale
11 of another motor vehicle or motorboat.

12 Sec. 2. This act becomes operative on October 1, 2014.

13 Sec. 3. Original section 77-2701.35, Reissue Revised
14 Statutes of Nebraska, is repealed.