

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 884

Introduced by Harr, 8.

Read first time January 08, 2018

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
- 2 13-319, 13-320, 13-322, 13-323, and 13-324, Reissue Revised Statutes
- 3 of Nebraska; to change and eliminate provisions relating to county
- 4 sales and use taxes; to harmonize provisions; to provide an
- 5 operative date; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-319, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 13-319 Any county by resolution of the governing body may impose a
4 sales and use tax of one-half percent, one percent, or one and one-half
5 percent upon the same transactions sourced as provided in sections
6 77-2703.01 to 77-2703.04 within the county, ~~but outside any incorporated~~
7 ~~municipality which has adopted a local sales tax pursuant to section~~
8 ~~77-27,142,~~ on which the state is authorized to impose a tax pursuant to
9 the Nebraska Revenue Act of 1967, as amended from time to time. Any sales
10 and use tax imposed pursuant to this section must be used (1) to finance
11 public safety services provided by a public safety commission, (2) to
12 provide the county share of funds required under any other agreement
13 executed under the Interlocal Cooperation Act or Joint Public Agency Act,
14 ~~or~~ (3) to finance public safety services provided by the county, (4) for
15 economic development, or (5) for manufacturing or industrial site
16 development. A sales and use tax shall not be imposed pursuant to this
17 section until an election has been held and a majority of the qualified
18 electors have approved the tax pursuant to sections 13-322 and 13-323.

19 Sec. 2. Section 13-320, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 13-320 For purposes of sections 13-318 to 13-326: ~~τ~~

22 (1) Economic development means encouraging immigration, new
23 industries, and investment and conducting a publicity campaign, including
24 a publicity campaign conducted for the purpose of exploiting and
25 advertising the various agricultural, horticultural, manufacturing,
26 commercial, and other resources of the county;

27 (2) Manufacturing or industrial site development means developing
28 sites to be used for manufacturing or industrial purposes, including the
29 costs of site improvements such as drainage, water, storm and sanitary
30 sewers, grading, streets, and other facilities and structures incidental
31 to the use of such sites for manufacturing or industrial purposes; and

1 (3) Public ~~public~~ safety services means crime prevention, offender
2 detention, and firefighter, police, medical, ambulance, or other
3 emergency services.

4 Sec. 3. Section 13-322, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 13-322 The powers granted by section 13-319 shall not be exercised
7 unless and until the question has been submitted at a primary, general,
8 or special election held within the county ~~area which would be subject to~~
9 ~~the tax~~ and in which all registered voters are entitled to vote on such
10 question. The officials of the ~~incorporated municipality or~~ county shall
11 order the submission of the question by submitting a certified copy of
12 the resolution proposing the tax to the election commissioner or county
13 clerk. The question may include any terms and conditions set forth in the
14 resolution proposing the tax, such as a termination date or the specific
15 purpose ~~public safety service~~ for which the revenue received from the tax
16 will be allocated, and shall include the following language: Shall the
17 county impose a sales and use tax upon the same transactions within the
18 county, ~~other than in municipalities which impose a local option sales~~
19 ~~tax,~~ on which the State of Nebraska is authorized to impose a tax to
20 finance public safety services, economic development, and manufacturing
21 or industrial site development? If a majority of the votes cast upon the
22 question are in favor of the tax, the governing body may impose the tax.
23 If a majority of those voting on the question are opposed to the tax, the
24 governing body shall not impose the tax. Any election under this section
25 shall be conducted in accordance with the procedures provided in the
26 Election Act.

27 Sec. 4. Section 13-323, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 13-323 The election commissioner or county clerk shall give notice
30 of the submission of the question of imposing a tax under section 13-319
31 not more than thirty days nor less than ten days before the election, by

1 publication one time in one or more newspapers published in or of general
2 circulation in the ~~municipality~~ or county in which the question is to be
3 submitted. This notice is in addition to any other notice required under
4 the Election Act.

5 Sec. 5. Section 13-324, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 13-324 (1) The Tax Commissioner shall administer all sales and use
8 taxes adopted under section 13-319. The Tax Commissioner may prescribe
9 forms and adopt and promulgate reasonable rules and regulations in
10 conformity with the Nebraska Revenue Act of 1967, as amended, for the
11 making of returns and for the ascertainment, assessment, and collection
12 of taxes. The county shall furnish a certified copy of the adopting or
13 repealing resolution to the Tax Commissioner in accordance with such
14 rules and regulations. The tax shall begin the first day of the next
15 calendar quarter which is at least one hundred twenty days following
16 receipt by the Tax Commissioner of the certified copy of the adopted
17 resolution. The Tax Commissioner shall provide at least sixty days'
18 notice of the adoption of the tax or a change in the rate to retailers.
19 Notice shall be provided to retailers within the county. Notice to
20 retailers may be provided through the web site of the Department of
21 Revenue or by other electronic means.

22 (2) For resolutions containing a termination date, the termination
23 date is the first day of a calendar quarter. The county shall furnish a
24 certified statement to the Tax Commissioner no more than one hundred
25 eighty days and at least one hundred twenty days before the termination
26 date that the termination date stated in the resolution is still valid.
27 If the certified statement is not furnished within the prescribed time,
28 the tax shall remain in effect, and the Tax Commissioner shall continue
29 to collect the tax until the first day of the calendar quarter which is
30 at least one hundred twenty days after receipt of the certified statement
31 notwithstanding the termination date stated in the resolution. The Tax

1 Commissioner shall provide at least sixty days' notice of the termination
2 of the tax to retailers. Notice shall be provided to retailers within the
3 county. Notice to retailers may be provided through the web site of the
4 department or other electronic means.

5 (3) The Tax Commissioner shall collect the sales and use tax
6 concurrently with collection of a state tax in the same manner as the
7 state tax is collected. The Tax Commissioner shall remit monthly the
8 proceeds of the tax to the counties imposing the tax, after deducting the
9 amount of refunds made and three percent of the remainder as an
10 administrative fee necessary to defray the cost of collecting the tax and
11 the expenses incident thereto. The Tax Commissioner shall keep full and
12 accurate records of all money received and distributed. All receipts from
13 the three-percent administrative fee shall be deposited in the state
14 General Fund.

15 (4) Upon any claim of illegal assessment and collection, the
16 taxpayer has the same remedies provided for claims of illegal assessment
17 and collection of the state tax. It is the intention of the Legislature
18 that the provisions of law which apply to the recovery of state taxes
19 illegally assessed and collected apply to the recovery of sales and use
20 taxes illegally assessed and collected under section 13-319.

21 ~~(5) Boundary changes or the adoption of a sales and use tax by an~~
22 ~~incorporated municipality that affects any tax imposed by this section~~
23 ~~shall be governed as provided in subsections (3) through (10) of section~~
24 ~~77-27,143.~~

25 Sec. 6. This act becomes operative on January 1, 2019.

26 Sec. 7. Original sections 13-319, 13-320, 13-322, 13-323, and
27 13-324, Reissue Revised Statutes of Nebraska, are repealed.