

ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025
COMMITTEE STATEMENT
LB208

Hearing Date: Friday January 24, 2025
Committee On: Revenue
Introducer: von Gillern
One Liner: Change provisions relating to sales tax collection fees, confidentiality of sales tax information, the streamlined sales and use tax agreement, a sales tax database, and certain income tax credits

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye:	7	Senators Bostar, Dungan, Ibach, Jacobson, Kauth, Sorrentino, von Gillern
Nay:		
Absent:	1	Senator Murman
Present Not Voting:		

Testimony:

Proponents:

Senator R. Brad von Gillern
James Kamm

Representing:

Opening Presenter
NE Department of Revenue

Opponents:

Tim Keigher

Representing:

NE Petroleum Marketers & Convenience Store Association

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 208 is a cleanup bill for various items in the sales and income taxation statutes. The bill: (1) stipulates that, if a model 1 seller's sales and use tax functions are performed by a certified service provider that is compensated through the streamline sales and use tax agreement, that certified service provider will not receive other collection fees; (2) updates state sales tax confidentiality law to mirror the income tax confidentiality law; (3) updates Nebraska statutes regarding the streamline sales and use tax agreement to reflect the state's participation in the agreement through December 31, 2024; (4) restricts eligibility for the child tax credit exclusively to Nebraska residents; (5) modifies statutes such that the highest sales tax rate will be used for online sales if only a five digit zip code is used, but uses the most accurate sales tax rate if a nine digit zip code is used; (6) harmonizes distribution of the biodiesel and food bank tax credit with the 'first come, first served' process currently utilized for other tax credits, provided that credits are to be prorated between requests registered on the day the annual limit is reached.



Section 1. Amends Neb. Rev. Stat. § 77-2708 to indicate that a model 1 seller that has already been compensated in a sale cannot be compensated a second time.

Section 2. Amends Neb. Rev. Stat. § 77-2711 to update the sales tax confidentiality law to match the income tax confidentiality law, providing that a former employee of the Department of Revenue cannot reveal confidential sales tax information.

Section 3. Amends Neb. Rev. Stat. § 77-2712.03 to update the provisions of the streamlined sales and use tax agreement under the statute to include amendments through December 31, 2024.

Section 4. Amends Neb. Rev. Stat. § 77-2715.07 to harmonize provisions with Neb. Rev. Stat. § 77-7203.

Section 5. Amends Neb. Rev. Stat. § 77-27,143 to use the highest sales tax rate within the zip code if only a five digit zip code is submitted, but use the most accurate sales tax rate if a nine digit zip code is used when submitted.

Section 6. Amends Neb. Rev. Stat. § 77-27,241 to harmonize the food bank tax credit to match other tax credits in utilizing a “first-come, first-served” system, with only those submissions from the date the cap is reached being prorated.

Section 7. Amends Neb. Rev. Stat. § 77-7012 to harmonize the biodiesel tax credit to match other tax credits in utilizing a “first-come, first-served” system, with only those submissions from the date the cap is reached being prorated.

Section 8. Amends Neb. Rev. Stat. § 77-7203 to restrict eligibility for the child tax credit in Nebraska to Nebraska residents beginning in tax year 2024.

Section 9. Repealer.

R. Brad von Gillern, Chairperson

