

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1110**

Introduced by von Gillern, 4.

Read first time January 16, 2026

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections  
2 77-367, 77-377.01, 77-3,109, 77-3,118, and 77-27,107, Reissue  
3 Revised Statutes of Nebraska, sections 77-377.02 and 77-3012,  
4 Revised Statutes Cumulative Supplement, 2024, and sections 9-1,101,  
5 77-4025, and 77-5601, Revised Statutes Supplement, 2025; to change  
6 provisions relating to the confidentiality of shared information; to  
7 provide for fees; to change provisions relating to the use of funds;  
8 to change provisions relating to contracts between collection  
9 agencies and the Tax Commissioner; to provide for certain transfers;  
10 to change provisions relating to the collection and enforcement of  
11 delinquent income tax claims; to change the distribution of certain  
12 tax revenue; to harmonize provisions; to provide an operative date;  
13 to repeal the original sections; and to declare an emergency.  
14 Be it enacted by the people of the State of Nebraska,

1       **Section 1.** (1) The Department of Health and Human Services and the  
2 Department of Revenue, for the purpose of the proper administration of  
3 the laws administered by each agency, may disclose confidential  
4 information about persons, businesses, and state and local subdivisions  
5 to the other agency. The receiving agency shall not use any confidential  
6 information obtained from the disclosing agency except for purposes  
7 directly connected with the proper administration of the laws  
8 administered by the receiving agency.

9       (2) The disclosures allowed under this section may be made  
10 notwithstanding any other provision of law of this state regarding  
11 disclosure of information by either agency. Any information received by  
12 either agency under this section shall be considered confidential by the  
13 receiving agency, and any individual who discloses such information other  
14 than as specifically allowed by this section or other laws of this state  
15 shall be subject to the penalties normally imposed on individuals who  
16 improperly disclose such information.

17       **Sec. 2.** (1) The Department of Revenue shall add a collection fee in  
18 the amount of twenty-five dollars or ten percent of the tax liability,  
19 whichever is greater, to all delinquent tax claims regardless of whether  
20 the claim has been assigned to a collection agency under sections  
21 77-377.01 to 77-377.04. For purposes of this subsection, delinquent tax  
22 claim has the same meaning as in section 77-377.01.

23       (2) In addition to the collection fee in subsection (1) of this  
24 section, the Department of Revenue shall add the actual costs incurred by  
25 the department to collect delinquent taxes to the tax liability at the  
26 time such costs are incurred.

27       (3) The Department of Revenue shall add an assessment fee in the  
28 amount of twenty-five dollars or ten percent of the tax liability,  
29 whichever is greater, to all assessments and notices of deficiency when  
30 issued. If the assessment or notice of deficiency becomes due and owing,  
31 the assessment fee shall be recalculated on the tax liability as of the

1 date when the assessment or notice of deficiency becomes due and owing.

2 (4)(a) The Tax Commissioner may require any person filing a petition  
3 for redetermination of (i) a notice and demand for payment issued  
4 pursuant to section 77-1783.01 or (ii) a notice of a deficiency  
5 determination issued pursuant to the Nebraska Revenue Act of 1967, to  
6 remit a filing fee of forty dollars to the Department of Revenue.

7 (b) A person may file an application with the Department of Revenue  
8 claiming he or she is indigent. A person determined by the Department of  
9 Revenue to be indigent shall not be required to remit the filing fee  
10 required by this subsection. For purposes of this subdivision, indigent  
11 means the inability to financially pursue the petition for  
12 redetermination without prejudicing the person's ability to provide  
13 economic necessities for the person or the person's family. In making its  
14 determination, the department shall consider (i) the person's income,  
15 (ii) the availability of other resources to the person including, but not  
16 limited to, real and personal property, bank accounts, social security  
17 benefits, and unemployment or other benefits, (iii) the person's normal  
18 living expenses, (iv) the person's outstanding debts, (v) the number and  
19 age of the person's dependents, and (vi) other relevant circumstances.

20 (5) All applications for a waiver of interest or penalty pursuant to  
21 the statutory authority of the Tax Commissioner shall be submitted with a  
22 fee of twenty-five dollars.

23 (6) All written requests for a certificate stating no tax is due  
24 which are filed pursuant to section 77-2707 shall be submitted with a fee  
25 of twenty-five dollars.

26 (7) The fees and costs collected by the Department of Revenue  
27 pursuant to this section shall be remitted to the State Treasurer for  
28 credit to the Department of Revenue Enforcement Fund.

29 (8) Beginning on January 1, 2027, and on January 1 of successive  
30 years, the Department of Revenue shall increase the fees provided for in  
31 this section by the percentage change, if any, as of August of the

1 previous year over the level as of August of the year preceding that year  
2 in the Consumer Price Index for All Urban Consumers, Midwest Region, as  
3 published by the Bureau of Labor Statistics of the United States  
4 Department of Labor.

5 **Sec. 3.** Section 9-1,101, Revised Statutes Supplement, 2025, is  
6 amended to read:

7 9-1,101 (1) The Nebraska Bingo Act, the Nebraska County and City  
8 Lottery Act, the Nebraska Lottery and Raffle Act, the Nebraska Pickle  
9 Card Lottery Act, the Nebraska Small Lottery and Raffle Act, and section  
10 9-701 shall be administered and enforced by the Charitable Gaming  
11 Division of the Department of Revenue, which division is hereby created.  
12 The Department of Revenue shall make annual reports to the Governor,  
13 Legislature, Auditor of Public Accounts, and Attorney General on all tax  
14 revenue received, expenses incurred, and other activities relating to the  
15 administration and enforcement of such acts. The report submitted to the  
16 Legislature shall be submitted electronically.

17 (2) The Charitable Gaming Operations Fund is hereby created. Any  
18 money in the fund available for investment shall be invested by the state  
19 investment officer pursuant to the Nebraska Capital Expansion Act and the  
20 Nebraska State Funds Investment Act.

21 (3)(a) Forty percent of the taxes collected pursuant to sections  
22 9-239, 9-344, 9-429, and 9-648 shall be available to the Charitable  
23 Gaming Division for administering and enforcing the acts listed in  
24 subsection (1) of this section and providing administrative support for  
25 the Nebraska Commission on Problem Gambling. The remaining sixty percent  
26 shall be transferred to the General Fund. Any portion of the forty  
27 percent not used by the division in the administration and enforcement of  
28 such acts and section shall be distributed as provided in this  
29 subsection.

30 (b) Beginning July 1, 2019, through June 30, 2026, on or before the  
31 last day of the last month of each calendar quarter, the State Treasurer

1 shall transfer one hundred thousand dollars from the Charitable Gaming  
2 Operations Fund to the Compulsive Gamblers Assistance Fund.

3 (c) Any money remaining in the Charitable Gaming Operations Fund  
4 after the transfer pursuant to subdivision (b) of this subsection not  
5 used by the Charitable Gaming Division in its administration and  
6 enforcement duties pursuant to this section may be transferred to the  
7 General Fund and the Compulsive Gamblers Assistance Fund at the direction  
8 of the Legislature.

9 (4) The Tax Commissioner shall employ investigators who shall be  
10 vested with the authority and power of a law enforcement officer to carry  
11 out the laws of this state administered by the Tax Commissioner or the  
12 Department of Revenue and to enforce sections 28-1101 to 28-1117 relating  
13 to possession of a gambling device. For purposes of enforcing sections  
14 28-1101 to 28-1117, the authority of the investigators shall be limited  
15 to investigating possession of a gambling device, notifying local law  
16 enforcement authorities, and reporting suspected violations to the county  
17 attorney for prosecution.

18 (5) The Charitable Gaming Division may charge a fee for publications  
19 and listings it produces. The fee shall not exceed the cost of  
20 publication and distribution of such items. The division may also charge  
21 a fee for making a copy of any record in its possession equal to the  
22 actual cost per page. The division shall remit the fees to the State  
23 Treasurer for credit to the Charitable Gaming Operations Fund.

24 ~~(6) The taxes collected and available to the Charitable Gaming~~  
25 ~~Division pursuant to section 77-3012 shall be used by the division for~~  
26 ~~enforcement of the Mechanical Amusement Device Tax Act and maintenance of~~  
27 ~~the central server established pursuant to section 77-3013.~~

28 ~~(6)~~ (7) For administrative purposes only, the Nebraska Commission on  
29 Problem Gambling shall be located within the Charitable Gaming Division.  
30 The division shall provide office space, furniture, equipment, and  
31 stationery and other necessary supplies for the commission. Commission

1 staff shall be appointed, supervised, and terminated by the director of  
2 the Gamblers Assistance Program pursuant to section 9-1004.

3 **Sec. 4.** Section 77-367, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 77-367 (1) The Department of Revenue may contract to procure  
6 products and services to develop, deploy, or administer systems or  
7 programs which identify nonfilers of returns, underreporters, or  
8 nonpayers of taxes administered by the department or improper or  
9 fraudulent payments made through programs administered by the department.  
10 The department shall enter into at least one such contract by December  
11 31, 2014, and such contract shall be for the purpose of identifying  
12 nonfilers of returns with a tax liability in any amount or underreporters  
13 or nonpayers of taxes with an outstanding tax liability of at least five  
14 thousand dollars. Fees for services, reimbursements, costs incurred by  
15 the department, or other remuneration may be funded from the amount of  
16 tax, penalty, interest, or other recovery actually collected and shall be  
17 paid only after the amount is collected. The Legislature intends to  
18 appropriate an amount from the tax, penalty, interest, and other recovery  
19 actually collected, not to exceed the amount collected, which is  
20 sufficient to pay for services, reimbursements, costs incurred by the  
21 department, or other remuneration pursuant to this section. Vendors  
22 entering into a contract with the department pursuant to this section are  
23 subject to the requirements and penalties of the confidentiality laws of  
24 this state regarding tax information.

25 (2) Ten percent of all proceeds received during each calendar year  
26 due to the contracts entered into pursuant to this section shall be  
27 deposited in the Department of Revenue Enforcement Fund ~~for purposes of~~  
28 ~~identifying nonfilers, underreporters, nonpayers, and improper or~~  
29 ~~fraudulent payments.~~

30 (3) The Tax Commissioner shall submit electronically an annual  
31 report to the Revenue Committee of the Legislature and Appropriations

1 Committee of the Legislature on the amount of dollars generated during  
2 the previous fiscal year pursuant to this section.

3 **Sec. 5.** Section 77-377.01, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 77-377.01 The Tax Commissioner may, for the purposes of collecting  
6 delinquent taxes due from a taxpayer and in addition to exercising those  
7 powers in section 77-27,107, contract with any collection agency licensed  
8 pursuant to the Collection Agency Act, within or without the state, for  
9 the collection of such delinquent taxes, including penalties and interest  
10 thereon. Such delinquent tax claims may be assigned to the collection  
11 agency, for the purpose of litigation in the agency's name ~~and at the~~  
12 ~~agency's expense~~, as a means of facilitating and expediting the  
13 collection process.

14 For purposes of this section, a delinquent tax claim shall be  
15 defined as a tax liability that is due and owing for a period longer than  
16 six months and for which the taxpayer has been mailed at least three  
17 notices requesting payment. At least one notice shall include a statement  
18 that the matter of such taxpayer's delinquency may be referred to a  
19 collection agency in the taxpayer's home state.

20 **Sec. 6.** Section 77-377.02, Revised Statutes Cumulative Supplement,  
21 2024, is amended to read:

22 77-377.02 (1) Fees for services, reimbursements, or other  
23 remuneration to such collection agency shall be based on the amount of  
24 tax, penalty, and interest actually collected and shall not be subject to  
25 the requirements of section 73-203 or 73-204. Each contract entered into  
26 between the Tax Commissioner and the collection agency shall provide for  
27 the payment of fees for such services, reimbursements, or other  
28 remuneration not in excess of fifty percent of the total amount of  
29 delinquent taxes, penalties, and interest actually collected.

30 (2) If, at the time a delinquent tax claim is assigned to a  
31 collection agency, any collection fees or costs were added to the tax

1 liability pursuant to subsections (1) and (2) of section 2 of this act,  
2 then a portion of such fees and costs, up to fifty percent of the balance  
3 of the delinquent tax claim, shall be added to the amount owed and  
4 collected from the taxpayer along with the fees for the collection  
5 agency's services as provided in the contract. The collection fees and  
6 costs added to the amount owed and collected from the taxpayer pursuant  
7 to this subsection shall be remitted and deposited in the same manner as  
8 the taxes being collected. For purposes of this subsection, delinquent  
9 tax claim shall have the same meaning as in section 77-377.01.

10       (3) ~~(2)~~ All funds collected, less the fees for the collection  
11 agency's services as provided in the contract, shall be remitted to the  
12 Tax Commissioner within forty-five days from the date of collection from  
13 a taxpayer. Forms to be used for such remittances shall be prescribed by  
14 the Tax Commissioner.

15       **Sec. 7.** Section 77-3,109, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17       77-3,109 (1) The Department of Revenue may charge persons and state  
18 agencies for the following publications of the Department of Revenue:  
19 Department of Revenue Annual Report, Package XN, Department of Revenue  
20 Tax Expenditure Report, and the Department of Revenue State Funds  
21 Booklet. The Tax Commissioner shall set the price of such publications  
22 which shall be the cost of production.

23       (2) The Department of Revenue shall remit all funds received under  
24 this section to the State Treasurer for credit to the Department of  
25 Revenue Enforcement Fund.

26       **Sec. 8.** Section 77-3,118, Reissue Revised Statutes of Nebraska, is  
27 amended to read:

28       77-3,118 (1) The Department of Revenue may charge persons and state  
29 agencies for any listings made by the department of information that is  
30 not confidential. The Tax Commissioner shall set the price of such  
31 listings which shall be the cost of production.



1       (2) The Department of Revenue shall remit all funds received under  
2       this section to the State Treasurer for credit to the Department of  
3       Revenue Enforcement Fund.

4       **Sec. 9.** Section 77-27,107, Reissue Revised Statutes of Nebraska, is  
5       amended to read:

6       77-27,107 (1) When notice and demand for the payment of income tax  
7       is given to a taxpayer and it appears to the Tax Commissioner that it is  
8       not practicable to locate property of the taxpayer sufficient in amount  
9       to cover the amount of tax due, he or she shall send a copy of the notice  
10      provided for in the Uniform State Tax Lien Registration and Enforcement  
11      Act to the taxpayer at his or her last-known address together with a  
12      notice that such notice has been filed with the appropriate filing  
13      officer. Thereafter, the Tax Commissioner may authorize the institution  
14      of any action or proceeding to collect or enforce such claim in any place  
15      and by any procedure that a civil judgment of a court of record of this  
16      state could be collected or enforced.

17      (2) The Tax Commissioner may register a claim for any delinquent  
18      taxes due and owing as a judgment in the office of the clerk of the  
19      district court of Lancaster County in the same manner as a foreign  
20      judgment is filed under the Nebraska Uniform Enforcement of Foreign  
21      Judgments Act.

22      (3) The Tax Commissioner may also in his or her discretion designate  
23      agents or retain counsel for the purpose of collecting any income taxes  
24      due under the Nebraska Revenue Act of 1967. He or she may fix the  
25      compensation of such agents and counsel to be paid out of money  
26      appropriated or otherwise lawfully available for payment thereof and he  
27      or she may require of them bonds or other security for the faithful  
28      performance of their duties.

29      (4) The Tax Commissioner may enter into agreements with the tax  
30      departments of other states and the District of Columbia for the  
31      collection of income taxes from persons found in those jurisdictions who

1 are delinquent in the payment of income taxes imposed under such act.

2 **Sec. 10.** Section 77-3012, Revised Statutes Cumulative Supplement,  
3 2024, is amended to read:

4 77-3012 (1) Except as otherwise provided in subsection (5) of this  
5 section, a tax is hereby imposed and levied, in the amount and in  
6 accordance with this section, upon the net operating revenue of all cash  
7 devices operating within the State of Nebraska for profit or gain either  
8 directly or indirectly received. The tax shall be paid in the amount and  
9 manner specified in this section.

10 (2) Except as otherwise provided in subsection (5) of this section,  
11 beginning on and after July 1, 2025, any distributor of a cash device,  
12 and any operator of a cash device if the operator is not subject to a  
13 revenue-sharing or other agreement with a distributor who is paying the  
14 tax, shall pay a tax for each cash device in operation each calendar  
15 quarter during the taxable year. The tax shall be collected by the  
16 department and due and payable on January 1, April 1, July 1, and October  
17 1 of each year on each cash device in operation during the preceding  
18 calendar quarter. For each cash device put into operation on a date  
19 subsequent to a quarterly due date that has not been included in  
20 computing the tax imposed and levied by the Mechanical Amusement Device  
21 Tax Act, the tax shall be due and payable on the immediately succeeding  
22 quarterly due date.

23 (3) The amount of the tax imposed and levied under this section  
24 shall be five percent of the net operating revenue for each cash device.  
25 The quarterly tax shall be submitted on a form prescribed by the Tax  
26 Commissioner documenting the total gross and net operating revenue for  
27 that quarter.

28 (4) The Tax Commissioner shall remit the taxes collected pursuant to  
29 this section to the State Treasurer for credit as follows:

30 (a) Twenty percent to the Department of Revenue Enforcement Fund  
31 ~~Charitable Gaming Operations Fund~~ for enforcement of the act and

1 maintenance of the central server;

2 (b) Two and one-half percent to the Compulsive Gamblers Assistance  
3 Fund;

4 (c) Two and one-half percent to the General Fund;

5 (d) Ten percent to the Nebraska Tourism Commission Promotional Cash  
6 Fund;

7 (e) Forty percent to the Property Tax Credit Cash Fund; and

8 (f) The remaining twenty-five percent to the county treasurer of the  
9 county in which the cash device is located to be distributed as follows:

10 (i) If the cash device is located completely within an unincorporated  
11 area of a county, the remaining twenty-five percent shall be distributed  
12 to the county in which the cash device is located, or (ii) if the cash  
13 device is located within the limits of a city or village in such county,  
14 one-half of the remaining twenty-five percent shall be distributed to  
15 such county and one-half of the remaining twenty-five percent shall be  
16 distributed to the city or village in which such cash device is located.

17 (5) This section does not apply to cash devices operated by a  
18 fraternal benefit society organized and licensed under sections 44-1072  
19 to 44-10,109 or a recognized veterans organization as defined in section  
20 80-401.01.

21 **Sec. 11.** Section 77-4025, Revised Statutes Supplement, 2025, is  
22 amended to read:

23 77-4025 (1) There is hereby created a cash fund in the Department of  
24 Revenue to be known as the Tobacco Products Administration Cash Fund. All  
25 revenue collected or received by the Tax Commissioner from the license  
26 fees, certification fees, and taxes imposed by the Tobacco Products Tax  
27 Act shall be remitted to the State Treasurer for credit to the Tobacco  
28 Products Administration Cash Fund, except that all such revenue relating  
29 to electronic nicotine delivery systems shall be remitted to the State  
30 Treasurer for credit to the General Fund. All amounts credited to the  
31 Tobacco Products Administration Cash Fund, before credits and refunds,

1 shall be transferred to the Department of Revenue Enforcement Fund.

2 (2) All costs required for administration of the Tobacco Products  
3 Tax Act shall be paid from the Department of Revenue Enforcement Fund  
4 ~~Tobacco Products Administration Cash Fund~~. Credits and refunds allowed  
5 under the act shall be paid from the Department of Revenue Enforcement  
6 Fund ~~Tobacco Products Administration Cash Fund~~. Any receipts, after  
7 credits and refunds, in excess of the amounts sufficient to cover the  
8 costs of administration may be transferred to the General Fund at the  
9 direction of the Legislature.

10 ~~(3) The State Treasurer shall transfer nine million five hundred~~  
11 ~~thousand dollars from the Tobacco Products Administration Cash Fund to~~  
12 ~~the General Fund on or after July 1, 2025, but on or before June 30,~~  
13 ~~2026, on such dates and in such amounts as directed by the budget~~  
14 ~~administrator of the budget division of the Department of Administrative~~  
15 ~~Services. The State Treasurer shall transfer nine million five hundred~~  
16 ~~thousand dollars from the Tobacco Products Administration Cash Fund to~~  
17 ~~the General Fund on or after July 1, 2026, but on or before June 30,~~  
18 ~~2027, on such dates and in such amounts as directed by the budget~~  
19 ~~administrator of the budget division of the Department of Administrative~~  
20 ~~Services. The State Treasurer shall transfer nine million dollars from~~  
21 ~~the Tobacco Products Administration Cash Fund to the General Fund on or~~  
22 ~~after July 1, 2027, but on or before June 30, 2028, on such dates and in~~  
23 ~~such amounts as directed by the budget administrator of the budget~~  
24 ~~division of the Department of Administrative Services. The State~~  
25 ~~Treasurer shall transfer nine million dollars from the Tobacco Products~~  
26 ~~Administration Cash Fund to the General Fund on or after July 1, 2028,~~  
27 ~~but on or before June 30, 2029, on such dates and in such amounts as~~  
28 ~~directed by the budget administrator of the budget division of the~~  
29 ~~Department of Administrative Services.~~

30 ~~(4) Any money in the Tobacco Products Administration Cash Fund~~  
31 ~~available for investment shall be invested by the state investment~~

1 ~~officer pursuant to the Nebraska Capital Expansion Act and the Nebraska~~  
2 ~~State Funds Investment Act.~~

3       **Sec. 12.** Section 77-5601, Revised Statutes Supplement, 2025, is  
4 amended to read:

5       77-5601 (1) From August 1, 2004, through October 31, 2004, there  
6 shall be conducted a tax amnesty program with regard to taxes due and  
7 owing that have not been reported to the Department of Revenue. Any  
8 person applying for tax amnesty shall pay all unreported taxes that were  
9 due on or before April 1, 2004. Any person that applies for tax amnesty  
10 and is accepted by the Tax Commissioner shall have any penalties and  
11 interest waived on unreported and delinquent taxes notwithstanding any  
12 other provisions of law to the contrary.

13       (2) To be eligible for the tax amnesty provided by this section, the  
14 person shall apply for amnesty within the amnesty period, file a return  
15 for each taxable period for which the amnesty is requested by December  
16 31, 2004, if no return has been filed, and pay in full all taxes for  
17 which amnesty is sought with the return or within thirty days after the  
18 application if a return was filed prior to the amnesty period. Tax  
19 amnesty shall not be available for any person that is under civil or  
20 criminal audit, investigation, or prosecution for unreported or  
21 delinquent taxes by this state or the United States Government on or  
22 before April 16, 2004.

23       (3) The department shall not seek civil or criminal prosecution  
24 against any person for any taxable period for which amnesty has been  
25 granted. The Tax Commissioner shall develop forms for applying for the  
26 tax amnesty program, develop procedures for qualification for tax  
27 amnesty, and conduct a public awareness campaign publicizing the program.

28       (4) If a person elects to participate in the amnesty program, the  
29 election shall constitute an express and irrevocable relinquishment of  
30 all administrative and judicial rights to challenge the imposition of the  
31 tax or its amount. Nothing in this section shall prohibit the department

1 from adjusting a return as a result of any state or federal audit.

2 (5)(a) Except for any local option sales tax collected and returned  
3 to the appropriate municipality and any motor vehicle fuel, diesel fuel,  
4 and compressed fuel taxes, which shall be deposited in the Highway Trust  
5 Fund or Highway Allocation Fund as provided by law, no less than eighty  
6 percent of all revenue received pursuant to the tax amnesty program shall  
7 be deposited in the General Fund and ten percent, not to exceed five  
8 hundred thousand dollars, shall be deposited in the Department of Revenue  
9 Enforcement Fund. Any amount that would otherwise be deposited in the  
10 Department of Revenue Enforcement Fund that is in excess of the five-  
11 hundred-thousand-dollar limitation shall be deposited in the General  
12 Fund.

13 (b) For fiscal year 2005-06, all proceeds in the Department of  
14 Revenue Enforcement Fund shall be appropriated to the department for  
15 purposes of employing investigators, agents, and auditors and otherwise  
16 increasing personnel for enforcement of the Nebraska Revenue Act of 1967.

17 (c) For fiscal years after fiscal year 2005-06, twenty percent of  
18 all proceeds received during the previous calendar year due to the  
19 efforts of auditors and investigators hired pursuant to subdivision (5)  
20 (b) of this section, not to exceed seven hundred fifty thousand dollars,  
21 shall be deposited in the Department of Revenue Enforcement Fund for  
22 purposes of employing investigators and auditors or continuing such  
23 employment for purposes of increasing enforcement of the act.

24 ~~(d) Ten percent of all proceeds received during each calendar year~~  
25 ~~due to the contracts entered into pursuant to section 77-367 shall be~~  
26 ~~deposited in the Department of Revenue Enforcement Fund for purposes of~~  
27 ~~identifying nonfilers of returns, underreporters, nonpayers of taxes, and~~  
28 ~~improper or fraudulent payments.~~

29 (6)(a) The department shall prepare a report by April 1, 2005, and  
30 by February 1 of each year thereafter detailing the results of the tax  
31 amnesty program and the subsequent enforcement efforts. For the report

1 due April 1, 2005, the report shall include (i) the amount of revenue  
2 obtained as a result of the tax amnesty program broken down by tax  
3 program, (ii) the amount obtained from instate taxpayers and from out-of-  
4 state taxpayers, and (iii) the amount obtained from individual taxpayers  
5 and from business enterprises.

6 (b) For reports due in subsequent years, the report shall include  
7 (i) the number of personnel hired for purposes of subdivision (5)(b) of  
8 this section and their duties, (ii) a description of lists, software,  
9 programming, computer equipment, and other technological methods acquired  
10 and the purposes of each, and (iii) the amount of new revenue obtained as  
11 a result of the new personnel and acquisitions during the prior calendar  
12 year, broken down into the same categories as described in subdivision  
13 (6)(a) of this section.

14 ~~(7)(a) {7}~~ The Department of Revenue Enforcement Fund is created.  
15 The money in the fund shall be used by the Department of Revenue for the  
16 administration and enforcement of any activity or function administered  
17 by the Tax Commissioner.

18 (b) Transfers may be made from the Department of Revenue Enforcement  
19 Fund to the General Fund at the direction of the Legislature. The  
20 Department of Revenue Enforcement Fund may receive transfers from the  
21 Civic and Community Center Financing Fund at the direction of the  
22 Legislature for the purpose of administering the Sports Arena Facility  
23 Financing Assistance Act. ~~The Department of Revenue Enforcement Fund~~  
24 ~~shall include any money credited to the fund (a) under section 77-2703,~~  
25 ~~and such money shall be used by the Department of Revenue to defray the~~  
26 ~~costs incurred to implement Laws 2019, LB237, (b) under the Mechanical~~  
27 ~~Amusement Device Tax Act, and such money shall be used by the department~~  
28 ~~to defray the costs incurred to implement and enforce Laws 2019, LB538,~~  
29 ~~and any rules and regulations adopted and promulgated to carry out Laws~~  
30 ~~2019, LB538, (c) under section 77-2906, and such money shall be used by~~  
31 ~~the Department of Revenue to defray the costs incurred to implement Laws~~

1   ~~2020, LB310, (d) under the Kratom Consumer Protection Act, and such money~~  
2   ~~shall be used by the Department of Revenue to defray the costs incurred~~  
3   ~~to administer the act, and (e) under section 77-3,124.~~

4       (c) Any money in the Department of Revenue Enforcement Fund  
5   available for investment shall be invested by the state investment  
6   officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
7   State Funds Investment Act. ~~Beginning October 1, 2024, any investment~~  
8   ~~earnings from investment of money in the fund shall be credited to the~~  
9   ~~General Fund.~~

10       (8) For purposes of this section, taxes mean any taxes collected by  
11   the department, including, but not limited to state and local sales and  
12   use taxes, individual and corporate income taxes, financial institutions  
13   deposit taxes, motor vehicle fuel, diesel fuel, and compressed fuel  
14   taxes, cigarette taxes, transfer taxes, and charitable gaming taxes.

15       **Sec. 13.** This act becomes operative on July 1, 2026.

16       **Sec. 14.** Original sections 77-367, 77-377.01, 77-3,109, 77-3,118,  
17   and 77-27,107, Reissue Revised Statutes of Nebraska, sections 77-377.02  
18   and 77-3012, Revised Statutes Cumulative Supplement, 2024, and sections  
19   9-1,101, 77-4025, and 77-5601, Revised Statutes Supplement, 2025, are  
20   repealed.

21       **Sec. 15.** Since an emergency exists, this act takes effect when  
22   passed and approved according to law.