



**Hundredth Legislature - First Session - 2007
Committee Statement
LB 60**

Hearing Date: January 18, 2007
Committee On: Revenue

Introducer(s): (Avery)
Title: Provide a sales tax holiday for school-related purchases

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - Advanced to General File with Amendments
 - X Indefinitely Postponed
-

Vote Results:

6	Yes	Senators Burling, Cornett, Dierks, Janssen, Raikes and White
1	No	Senator Preister
0	Present, not voting	
1	Absent	Senator Langemeier

Proponents:
Senator Bill Avery
Jim Otto

Representing:
Introducer
Nebraska Retail Federation

Opponents:
Jack Cheloha

Representing:
City of Omaha

Neutral:
None

Representing:

Summary of purpose and/or changes:

The bill would have established an annual tax free sales period, or “sales tax holiday” from the first Friday of August through the following Sunday. A list of items which would not be subject to sales tax during this period included the term “school supplies,” but provided no definition of school or supplies based on age or educational purpose of the school. Computers and clothing were to be exempt up to certain price thresholds.

A second list of items not exempt was also provided. School instructional materials, school computer supplies and sports equipment were not to be exempt.

Separate reporting of exempt sales made by retailers would have been mandated by the law. Treatment of “lay-away” purchases was described. Treatment of discounted items and their

relationship to price thresholds found in the bill were addressed, as were other pricing and quantity sales practices, including exchanges, credits for sales tax paid on exchanges, and “rain checks.” Treatment of delivery charges was addressed relative to price thresholds created by the law. Several provisions were included which addressed circumstances involving remote purchases or mail order sales, including a mandate that the time zone of the seller established the rule for time period of exemption eligibility.

The bill contained the emergency clause.

Explanation of amendments, if any:

Senator Ray Janssen, Chairperson