



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 163

Chairperson: Deb Fischer
Committee: Transportation and Telecommunications
Date of Hearing: January 29, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The bill requires an application for a certificate of title for an all-terrain vehicle, commonly known as an ATV, to be accompanied by a certificate that states that sales or use tax has been paid on the purchase of the vehicle, or that the transfer of title was exempt from sales and use taxes.

The county official shall issue a certificate of title but not deliver the title unless the certificate required under this section accompanies the application. The failure to have a certificate does not prevent the notation of a lien on the certificate of title and delivery of the title to the holder of the first lien.

Legitimate retailers hold a sales tax permit and collect the sales tax on these products. As more and more of these ATV's are being sold through non-traditional sources, purchasers are avoiding the sales tax. ATV's are commonly sold on vacated parking lots, over the internet, and by transient businesses. In addition, buyers often are lured across state lines to buy ATV's with the buyer believing Nebraska sales tax can be avoided in that manner.

Principal Introducer: _____
Senator Deb Fischer