



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 423

Chairperson: Ray Janssen
Committee: Revenue
Date of Hearing: February 7, 2007

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

Under current law, retailers may deduct and withhold a maximum of two and one half percent of the first \$3,000 in sales and use tax collected each month, which amounts to \$75. LB 423 intends to allow those charged with collecting sales and use taxes, primarily retailers and county governments (in the case of motor vehicle sales), to also deduct and withhold one half of one percent of all sales and use tax in excess of the first \$3,000 of such tax that is collected each month. This would restore the sales and use tax retention formula as it existed prior to October 1, 2002.

LB 423 would become effective on July 1, 2007 and contains an emergency clause.

Principal Introducer:

Senator Carroll Burling