

AMENDMENTS TO LB 779

(Amendments to E & R amendments, ER8221)

Introduced by Lathrop, 12.

1 1. Insert the following new section:

2 Sec. 18. Section 77-5601, Revised Statutes Cumulative
3 Supplement, 2008, as amended by section 58, Legislative Bill 3, One
4 Hundred First Legislature, First Special Session, 2009, is amended
5 to read:

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

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

1 prosecution for unreported or delinquent taxes by this state or the
2 United States Government on or before April 16, 2004.

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

9 (4) If a person elects to participate in the amnesty
10 program, the election shall constitute an express and irrevocable
11 relinquishment of all administrative and judicial rights to
12 challenge the imposition of the tax or its amount. Nothing in this
13 section shall prohibit the department from adjusting a return as a
14 result of any state or federal audit.

15 (5)(a) Except for any local option sales tax collected
16 and returned to the appropriate municipality and any motor vehicle
17 fuel, diesel fuel, and compressed fuel taxes, which shall be
18 deposited in the Highway Trust Fund or Highway Allocation Fund
19 as provided by law, no less than eighty percent of all revenue
20 received pursuant to the tax amnesty program shall be deposited
21 in the General Fund; ten percent, not to exceed five hundred
22 thousand dollars, shall be deposited in the Department of Revenue
23 Enforcement Fund; and ten percent, not to exceed five hundred
24 thousand dollars, shall be deposited in the Department of Revenue
25 Enforcement Technology Fund. Any amount that would otherwise be
26 deposited in the Department of Revenue Enforcement Fund or the
27 Department of Revenue Enforcement Technology Fund that is in excess

1 of the five-hundred-thousand-dollar limitation shall be deposited
2 in the General Fund.

3 (b) For fiscal year 2005-06, all proceeds in the
4 Department of Revenue Enforcement Fund shall be appropriated to
5 the department for purposes of employing investigators, agents, and
6 auditors and otherwise increasing personnel for enforcement of the
7 Nebraska Revenue Act of 1967. For fiscal year 2005-06, all proceeds
8 in the Department of Revenue Enforcement Technology Fund shall be
9 appropriated to the department for the purposes of acquiring lists,
10 software, programming, computer equipment, and other technological
11 methods for enforcing the act.

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

20 (6)(a) The department shall prepare a report by April
21 1, 2005, and by February 1 of each year thereafter detailing the
22 results of the tax amnesty program and the subsequent enforcement
23 efforts. For the report due April 1, 2005, the report shall include
24 (i) the amount of revenue obtained as a result of the tax amnesty
25 program broken down by tax program, (ii) the amount obtained
26 from instate taxpayers and from out-of-state taxpayers, and (iii)
27 the amount obtained from individual taxpayers and from business

1 enterprises.

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

11 (7) The Department of Revenue Enforcement Fund and the
12 Department of Revenue Enforcement Technology Fund are created.
13 Transfers may be made from the Department of Revenue Enforcement
14 Fund to the General Fund at the direction of the Legislature. The
15 Department of Revenue Enforcement Fund may receive transfers from
16 the Local Civic, Cultural, and Convention Center Financing Fund at
17 the direction of the Legislature for the purpose of administering
18 the Sports Arena Facility Financing Assistance Act. Any money
19 in the Department of Revenue Enforcement Fund and the Department
20 of Revenue Enforcement Technology Fund available for investment
21 shall be invested by the state investment officer pursuant to
22 the Nebraska Capital Expansion Act and the Nebraska State Funds
23 Investment Act. The Department of Revenue Enforcement Technology
24 Fund shall terminate on July 1, 2006. Any unobligated money in the
25 fund at that time shall be deposited in the General Fund.

26 (8) For purposes of this section, taxes mean any taxes
27 collected by the department, including, but not limited to state

1 and local sales and use taxes, individual and corporate income
2 taxes, financial institutions deposit taxes, motor vehicle fuel,
3 diesel fuel, and compressed fuel taxes, cigarette taxes, transfer
4 taxes, and charitable gaming taxes.

5 2. On page 4, line 17, before "The" insert "(1)"; and
6 strike the new matter in line 27 and insert "Transfers may be made
7 from the fund to the Department of Revenue Enforcement Fund at the
8 direction of the Legislature.

9 (2) On July 1, 2010, or as soon thereafter as is
10 administratively possible the State Treasurer shall transfer
11 seventy-nine thousand three hundred dollars from the Local Civic,
12 Cultural, and Convention Center Financing Fund to the Department
13 of Revenue Enforcement Fund.

14 (3) It is the intent of the Legislature that on July
15 1, 2011, or as soon thereafter as is administratively possible
16 the State Treasurer shall transfer forty-two thousand nine hundred
17 dollars from the Local Civic, Cultural, and Convention Center
18 Financing Fund to the Department of Revenue Enforcement Fund."

19 3. On page 5, strike lines 1 through 4.

20 4. Renumber remaining sections and correct the repealer
21 accordingly.