

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 45

Introduced by Flood, 19.

Read first time January 8, 2009

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 77-5601, Revised Statutes Cumulative Supplement, 2008; to
3 eliminate references to a fund that terminated; and to
4 repeal the original section.

5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-5601, Revised Statutes Cumulative
2 Supplement, 2008, is amended to read:

3 77-5601 (1) From August 1, 2004, through October 31,
4 2004, there shall be conducted a tax amnesty program with regard
5 to taxes due and owing that have not been reported to the
6 Department of Revenue. Any person applying for tax amnesty shall
7 pay all unreported taxes that were due on or before April 1,
8 2004. Any person that applies for tax amnesty and is accepted
9 by the Tax Commissioner shall have any penalties and interest
10 waived on unreported and delinquent taxes notwithstanding any other
11 provisions of law to the contrary.

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

22 (3) The department shall not seek civil or criminal
23 prosecution against any person for any taxable period for which
24 amnesty has been granted. The Tax Commissioner shall develop forms
25 for applying for the tax amnesty program, develop procedures for

1 qualification for tax amnesty, and conduct a public awareness
2 campaign publicizing the program.

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

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

24 (b) For fiscal year 2005-06, all proceeds in the
25 Department of Revenue Enforcement Fund shall be appropriated to

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

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

16 (6)(a) The department shall prepare a report by April
17 1, 2005, and by February 1 of each year thereafter detailing the
18 results of the tax amnesty program and the subsequent enforcement
19 efforts. For the report due April 1, 2005, the report shall include
20 (i) the amount of revenue obtained as a result of the tax amnesty
21 program broken down by tax program, (ii) the amount obtained
22 from instate taxpayers and from out-of-state taxpayers, and (iii)
23 the amount obtained from individual taxpayers and from business
24 enterprises.

25 (b) For reports due in subsequent years, the report

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

9 (7) ~~The Department of Revenue Enforcement Fund and the~~
10 ~~Department of Revenue Enforcement Technology Fund are is created.~~
11 Any money in the ~~funds~~ fund available for investment shall be
12 invested by the state investment officer pursuant to the Nebraska
13 Capital Expansion Act and the Nebraska State Funds Investment
14 Act. ~~The Department of Revenue Enforcement Technology Fund shall~~
15 ~~terminate on July 1, 2006. Any unobligated money in the fund at~~
16 ~~that time shall be deposited in the General Fund.~~

17 (8) For purposes of this section, taxes mean any taxes
18 collected by the department, including, but not limited to state
19 and local sales and use taxes, individual and corporate income
20 taxes, financial institutions deposit taxes, motor vehicle fuel,
21 diesel fuel, and compressed fuel taxes, cigarette taxes, transfer
22 taxes, and charitable gaming taxes.

23 Sec. 2. Original section 77-5601, Revised Statutes
24 Cumulative Supplement, 2008, is repealed.