

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIRST LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 9

Introduced by Wightman, 36.

Read first time January 8, 2009

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 77-2704.13, Reissue Revised Statutes of Nebraska; to
3 exempt biofuels used in irrigation and farming from sales
4 tax; to provide an operative date; to repeal the original
5 section; and to declare an emergency.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2704.13, Reissue Revised Statutes
2 of Nebraska, is amended to read:

3 77-2704.13 Sales and use taxes shall not be imposed on
4 the gross receipts from the sale, lease, or rental of and the
5 storage, use, or other consumption in this state of:

6 (1) Sales and purchases of electricity, coal, gas, fuel
7 oil, diesel fuel, tractor fuel, propane, gasoline, coke, nuclear
8 fuel, ~~and butane,~~ wood as fuel, corn as fuel, and biofuel when more
9 than fifty percent of the amount purchased is for use directly in
10 irrigation or farming;

11 (2) Sales and purchases of such energy sources or fuels
12 made before April 1, 1993, or after March 31, 1994, when more
13 than fifty percent of the amount purchased is for use directly
14 in processing, manufacturing, or refining, in the generation of
15 electricity, or by any hospital. The state tax paid on purchases
16 of such energy sources or fuels during the period beginning
17 April 1, 1993, and ending March 31, 1994, shall not exceed one
18 hundred thousand dollars for any one location when more than fifty
19 percent of the amount purchased is for use directly in processing,
20 manufacturing, or refining or by any hospital. All purchases
21 of such energy sources or fuels for use in the generation of
22 electricity during the period beginning April 1, 1993, and ending
23 March 31, 1994, shall be taxable. Any taxpayer who has paid the
24 limit of state tax on such energy sources or fuels at one location
25 shall be exempt on all other qualifying purchases at such location.

1 Such taxpayer shall be entitled to a refund of any amount of
2 state or local option tax paid on an energy source or fuel exempt
3 under this subdivision. A refund shall be made pursuant to section
4 77-2708; and

5 (3) Sales and purchases of water used for irrigation of
6 agricultural lands and manufacturing purposes.

7 Sec. 2. This act becomes operative on April 1, 2009.

8 Sec. 3. Original section 77-2704.13, Reissue Revised
9 Statutes of Nebraska, is repealed.

10 Sec. 4. Since an emergency exists, this act takes effect
11 when passed and approved according to law.