



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LB 233

Chairperson: Abbie Cornett
Committee: Revenue
Date of Hearing: March 4, 2009

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

Until recently, the Department of Revenue considered mineral oil used to suppress the dust of grain as a 'component part' for purposes of a sales tax exemption.

During recent audits, the Department of Revenue applied the sales and use tax to purchases of mineral oil because their recent interpretation is that the mineral oil is not an 'essential' component of processing the grain.

LB 233 would make a direct exemption for mineral oil purchased to be used as a dust suppressant in grain elevators.

Principal Introducer:

Senator Greg Adams