

AMENDMENTS TO LB 474

Introduced by Revenue

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Section 18-1208, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 18-1208 (1) Except as otherwise provided in this section,
6 after July 19, 2012, a municipality may impose a new occupation
7 tax or increase the rate of an existing occupation tax, which
8 new occupation tax or increased rate of an existing occupation
9 tax is projected to generate annual occupation tax revenue in
10 excess of the applicable amount listed in subsection (2) of this
11 section, pursuant to section 14-109, 15-202, 15-203, 16-205, or
12 17-525 if the question of whether to impose the tax or increase
13 the rate of an existing occupation tax has been submitted at an
14 election held within the municipality and in which all registered
15 voters shall be entitled to vote on the question. The officials
16 of the municipality shall order the submission of the question by
17 submitting a certified copy of the resolution proposing the tax
18 or tax rate increase to the election commissioner or county clerk
19 at least fifty days before the election. The election shall be
20 conducted in accordance with the Election Act. If a majority of
21 the votes cast upon the question are in favor of the new tax or
22 increased rate of an existing occupation tax, then the governing
23 body of such municipality shall be empowered to impose the new tax

1 or to impose the increased tax rate. If a majority of those voting
2 on the question are opposed to the new tax or increased rate, then
3 the governing body of the municipality shall not impose the new tax
4 or increased rate but shall maintain any existing occupation tax at
5 its current rate.

6 (2) The applicable amount of annual revenue for each new
7 occupation tax or annual revenue raised by the increased rate for
8 an existing occupation tax for purposes of subsection (1) of this
9 section is:

10 (a) For cities of the metropolitan class, six million
11 dollars;

12 (b) For cities of the primary class, three million
13 dollars;

14 (c) For cities of the first class, seven hundred thousand
15 dollars; and

16 (d) For cities of the second class and villages, three
17 hundred thousand dollars.

18 (3) After July 19, 2012, a municipality shall not be
19 required to submit the following questions to the registered
20 voters:

21 (a) Whether to change the rate of an occupation tax
22 imposed for a specific project which does not provide for deposit
23 of the tax proceeds in the municipality's general fund; or

24 (b) Whether to terminate an occupation tax earlier than
25 the determinable termination date under the original question
26 submitted to the registered voters.

27 This subsection applies to occupation taxes imposed prior

1 to, on, or after July 19, 2012.

2 (4) The authority granted in this section and sections
3 14-109, 15-202, 15-203, 16-205, and 17-525 to impose a new
4 occupation tax or increase the rate of an existing occupation
5 tax is suspended beginning on the effective date of this act
6 through July 15, 2014. An occupation tax which was adopted by
7 a governing body of a municipality and which is required to be
8 approved by the registered voters but which has not been approved
9 by the registered voters prior to the effective date of this act
10 is null and void. Any occupation tax imposed by a governing body
11 and approved by the registered voters, if required, prior to the
12 effective date of this act shall continue to be imposed.

13 ~~(4)~~ (5) The provisions of this section do not apply to an
14 occupation tax subject to section 86-704.

15 Sec. 2. Section 77-27,142, Revised Statutes Cumulative
16 Supplement, 2012, is amended to read:

17 77-27,142 ~~(1)~~ ~~Any~~ (1)(a) Except as provided in
18 subdivision (1)(b) of this section, any incorporated municipality
19 by ordinance of its governing body is hereby authorized to impose
20 a sales and use tax of one-half percent, one percent, one and
21 one-half percent, one and three-quarters percent, or two percent
22 upon the same transactions that are sourced under the provisions
23 of sections 77-2703.01 to 77-2703.04 within such incorporated
24 municipality on which the State of Nebraska is authorized to impose
25 a tax pursuant to the Nebraska Revenue Act of 1967, as amended
26 from time to time. No sales and use tax shall be imposed pursuant
27 to this section until an election has been held and a majority of

1 the qualified electors have approved such tax pursuant to sections
2 77-27,142.01 and 77-27,142.02.

3 (b) The authority granted in this subsection to adopt an
4 ordinance imposing a sales and use tax of one and three-quarters
5 percent or two percent is suspended beginning on the effective date
6 of this act through July 15, 2014. Any such ordinance which was
7 adopted by a governing body but not approved by the electors prior
8 to the effective date of this act is null and void. Any such tax
9 adopted by a governing body and approved by the electors prior to
10 the effective date of this act shall continue to be imposed.

11 (2) (a) Any incorporated municipality that proposes to
12 impose a municipal sales and use tax at a rate greater than one
13 and one-half percent or increase a municipal sales and use tax
14 to a rate greater than one and one-half percent shall submit the
15 question of such tax or increase at a primary or general election
16 held within the incorporated municipality. The question shall be
17 submitted upon an affirmative vote by at least seventy percent
18 of all of the members of the governing body of the incorporated
19 municipality.

20 (b) Any rate greater than one and one-half percent shall
21 be used as follows:

22 (i) In a city of the metropolitan class, the proceeds
23 from the first one-quarter percent of the rate greater than one and
24 one-half percent shall be used to reduce other taxes, the proceeds
25 from the next one-eighth percent of the rate greater than one and
26 one-half percent shall be used for public infrastructure projects,
27 and the proceeds from the next one-eighth percent of the rate

1 greater than one and one-half percent shall be used for purposes of
2 the interlocal agreement or joint public agency agreement described
3 in subsection (3) of this section;

4 (ii) In a city of the primary class, up to fifteen
5 percent of the proceeds from the rate in excess of one and one-half
6 percent may be used for non-public infrastructure projects of
7 an interlocal agreement or joint public agency agreement with
8 another political subdivision within the municipality or the
9 county in which the municipality is located, and the remaining
10 proceeds shall be used for public infrastructure projects or
11 voter-approved infrastructure related to an economic development
12 program as defined in section 18-2705; and

13 (iii) In any incorporated municipality other than a city
14 of the metropolitan or primary class, the proceeds from the rate
15 in excess of one and one-half percent shall be used for public
16 infrastructure projects or voter-approved infrastructure related to
17 an economic development program as defined in section 18-2705.

18 For purposes of this section, public infrastructure
19 project means and includes, but is not limited to, any of the
20 following projects, or any combination thereof: Public highways and
21 bridges and municipal roads, streets, bridges, and sidewalks; solid
22 waste management facilities; wastewater, storm water, and water
23 treatment works and systems, water distribution facilities, and
24 water resources projects, including, but not limited to, pumping
25 stations, transmission lines, and mains and their appurtenances;
26 hazardous waste disposal systems; resource recovery systems;
27 airports; port facilities; buildings and capital equipment used

1 in the operation of municipal government; convention and tourism
2 facilities; redevelopment projects as defined in section 18-2103;
3 mass transit and other transportation systems, including parking
4 facilities; and equipment necessary for the provision of municipal
5 services.

6 (c) Any rate greater than one and one-half percent shall
7 terminate no more than ten years after its effective date or, if
8 bonds are issued and the local option sales and use tax revenue is
9 pledged for payment of such bonds, upon payment of such bonds and
10 any refunding bonds, whichever date is later, except as provided in
11 subdivision (2)(d) of this section.

12 (d) If a portion of the rate greater than one and
13 one-half percent is stated in the ballot question as being imposed
14 for the purpose of the interlocal agreement or joint public agency
15 agreement described in subdivision (2)(b)(ii) or subsection (3) of
16 this section, and such portion is at least one-eighth percent,
17 there shall be no termination date for the rate representing such
18 portion rounded to the next higher one-quarter or one-half percent.

19 (e) Sections 13-518 to 13-522 apply to the revenue from
20 any such tax or increase.

21 (3)(a) No municipal sales and use tax shall be imposed
22 at a rate greater than one and one-half percent or increased to a
23 rate greater than one and one-half percent unless the municipality
24 is a party to an interlocal agreement pursuant to the Interlocal
25 Cooperation Act or a joint public agency agreement pursuant to the
26 Joint Public Agency Act with a political subdivision within the
27 municipality or the county in which the municipality is located

1 creating a separate legal or administrative entity relating to a
2 public infrastructure project.

3 (b) Except as provided in subdivision (2)(b)(ii)
4 of this section, such interlocal agreement or joint public
5 agency agreement shall contain provisions, including benchmarks,
6 relating to the long-term development of unified governance
7 of public infrastructure projects with respect to the parties.
8 The Legislature may provide additional requirements for such
9 agreements, including benchmarks, but such additional requirements
10 shall not apply to any debt outstanding at the time the
11 Legislature enacts such additional requirements. The separate legal
12 or administrative entity created shall not be one that was in
13 existence for one calendar year preceding the submission of the
14 question of such tax or increase at a primary or general election
15 held within the incorporated municipality.

16 (c) Any other public agency as defined in section 13-803
17 may be a party to such interlocal cooperation agreement or joint
18 public agency agreement.

19 (d) A municipality is not required to use all of the
20 additional revenue generated by a sales and use tax imposed at a
21 rate greater than one and one-half percent or increased to a rate
22 greater than one and one-half percent under this subsection for the
23 purposes of the interlocal cooperation agreement or joint public
24 agency agreement set forth in this subsection.

25 (4) The provisions of subsections (2) and (3) of this
26 section do not apply to the first one and one-half percent of a
27 sales and use tax imposed by a municipality.

1 (5) Notwithstanding any provision of any municipal
2 charter, any incorporated municipality or interlocal agency or
3 joint public agency pursuant to an agreement as provided in
4 subsection (3) of this section may issue bonds in one or more
5 series for any municipal purpose and pay the principal of
6 and interest on any such bonds by pledging receipts from the
7 increase in the municipal sales and use taxes authorized by such
8 municipality. Any municipality which has or may issue bonds under
9 this section may dedicate a portion of its property tax levy
10 authority as provided in section 77-3442 to meet debt service
11 obligations under the bonds. For purposes of this subsection, bond
12 means any evidence of indebtedness, including, but not limited to,
13 bonds, notes including notes issued pending long-term financing
14 arrangements, warrants, debentures, obligations under a loan
15 agreement or a lease-purchase agreement, or any similar instrument
16 or obligation.

17 Sec. 3. Section 77-27,142.01, Revised Statutes Cumulative
18 Supplement, 2012, is amended to read:

19 77-27,142.01 ~~(1)~~ The (1)(a) Except as provided in
20 subdivision (1)(b) of this section, the governing body of any
21 incorporated municipality may submit the question of changing any
22 terms and conditions of a sales and use tax previously authorized
23 under section 77-27,142. Except as otherwise provided by section
24 77-27,142, the question of modification shall be submitted to the
25 voters at any primary or general election or at a special election
26 if the governing body submits a certified copy of the resolution
27 proposing modification to the election commissioner or county clerk

1 within the time prior to the primary, general, or special election
2 prescribed in section 77-27,142.02.

3 (b) The authority granted in this subsection to change a
4 sales and use tax to a rate of one and three-quarters percent or
5 two percent is suspended beginning on the effective date of this
6 act through July 15, 2014. Any such change which was adopted by
7 a governing body but not approved by the electors prior to the
8 effective date of this act is null and void. Any such tax adopted
9 by a governing body and approved by the electors prior to the
10 effective date of this act shall continue to be imposed.

11 (2) If the change imposes a sales and use tax at a
12 rate greater than one and one-half percent or increases the sales
13 and use tax to a rate greater than one and one-half percent, the
14 question shall include, but not be limited to:

15 (a) The percentage increase of one-quarter percent or
16 one-half percent in the sales and use tax rate;

17 (b) A list of reductions or elimination of other taxes or
18 fees, if any;

19 (c) A description of the projects to be funded, in whole
20 or in part, from the revenue collected, along with any savings or
21 efficiencies resulting from the projects;

22 (d) The year or years within which the revenue will be
23 collected and, if bonds will be issued with some or all of the
24 revenue pledged for payment of such bonds, a statement that the
25 revenue will be collected until the payment in full of such bonds
26 and any refunding bonds; and

27 (e) (i) The percentage of revenue collected to be used for

1 the purposes of the interlocal agreement or joint public agency
2 agreement as provided in subdivision (2)(b)(ii) or subsection (3)
3 of section 77-27,142; (ii) a statement of the overall purpose
4 of the agreement which is the long-term development of unified
5 governance of public infrastructure projects, if applicable; and
6 (iii) the name of any other political subdivision which is a party
7 to the agreement.

8 This subsection does not apply to the first one and
9 one-half percent of a sales and use tax imposed by a municipality.

10 Sec. 4. Original section 18-1208, Reissue Revised
11 Statutes of Nebraska, and sections 77-27,142 and 77-27,142.01,
12 Revised Statutes Cumulative Supplement, 2012, are repealed.

13 Sec. 5. Since an emergency exists, this act takes effect
14 when passed and approved according to law.