

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 251
Final Reading

Introduced by Hansen, 42.

Read first time January 16, 2013

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 77-4501, Reissue Revised Statutes of Nebraska; to change
3 a fee relating to the rental of motor vehicles; to
4 provide an operative date; and to repeal the original
5 section.

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

1 Section 1. Section 77-4501, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 77-4501 (1) Except as provided in subsection (6) of this
4 section, rental companies engaged in the business of renting private
5 passenger motor vehicles used to carry fifteen passengers or less for
6 periods of thirty-one days or less shall collect, at the time the
7 vehicle is rented in Nebraska, a fee ~~of four and one-half~~ not to
8 exceed five and seventy-five hundredths percent of each rental
9 contract amount, not including sales tax. For purposes of this
10 section, a vehicle is rented in Nebraska if it is picked up by the
11 renter in Nebraska. The fee shall be computed in accordance with the
12 method used for the sales tax imposed by the state on those charges
13 subject to sales tax. The fee shall not be subject to sales tax. The
14 fee shall be noted in the rental contract and collected in accordance
15 with the terms of the contract. The fee shall be retained by the
16 vehicle owner or the rental company engaged in the business of
17 renting private passenger motor vehicles. Fees collected pursuant to
18 this section shall be used by the vehicle owner or the rental company
19 for reimbursement of the amount of motor vehicle taxes and fees
20 imposed and paid in Nebraska upon the vehicles by the vehicle owner
21 or rental company.

22 (2) On February 15 of each year, the fees imposed by this
23 section for the preceding calendar year, to the extent the fees
24 exceed the motor vehicle taxes and fees imposed and paid in Nebraska
25 upon the vehicles for the preceding calendar year, shall be due and

1 payable to the county treasurer of the county where the transactions
2 occurred. The fee shall be remitted on forms prescribed by the county
3 treasurer. The county shall allocate and distribute such proceeds in
4 the same manner as the proceeds from motor vehicle taxes are
5 allocated and distributed pursuant to section 60-3,186. The revenue
6 received by the county under this section may be expended for any
7 lawful purpose.

8 (3) The revenue received by the county under this section
9 shall be included and considered as proceeds of motor vehicle taxes
10 and fees for purposes of any growth limitation on budgets of
11 political subdivisions funded by property taxes.

12 (4) The fee imposed under this section shall be in
13 addition to any other tax or fee authorized by law to be levied on
14 the business activities described in this section and shall be in
15 addition to the sales tax imposed by the state or any municipality.

16 (5) The county treasurer, county board, and county
17 sheriff may use any method specified in Chapter 77, article 17, for
18 the collection of property taxes to collect the fee imposed by this
19 section.

20 (6) A fee shall not be collected if the renter is exempt
21 from the payment of sales tax.

22 Sec. 2. This act becomes operative on October 1, 2014.

23 Sec. 3. Original section 77-4501, Reissue Revised
24 Statutes of Nebraska, is repealed.