

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017
COMMITTEE STATEMENT
LB44

Hearing Date: Friday January 27, 2017
Committee On: Revenue
Introducer: Watermeier
One Liner: Adopt the Remote Seller Sales Tax Collection Act

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:
Aye: 5 Senators Friesen, Groene, Harr, Lindstrom, Schumacher
Nay:
Absent:
Present Not Voting: 3 Senators Smith, Brasch, Larson

Verbal Testimony:

Proponents:

Senator Dan Watermeier
Mayor Douglas Kindig
Jim Otto
Thomas Wright
Alan Hirschfeld
Kathy Siefken
Don Herz
John Bonaiuto
Paul Briseno
Johnathan Hladik
Todd Reed
Mark Zimmerer
John Hansen
Randy Gates
Ron Sedlacek

Lynn Rex
Jessie Herrmann
Renee Fry
Coby Mach

Representing:

Introducer
City of LaVista
Nebraska Retail Federation
Wright's Jewelers
Hirschfeld's
Nebraska Grocery Industry Association
City of Lincoln
Nebraska Association of School Boards
GNC, City of Kearney
Center for Rural Affairs
Nebraska Farm Bureau
Norfolk Area Chamber of Commerce
Nebraska Farmers Union
City of Norfolk
Nebraska Chamber of Commerce, Lincoln Chamber of
Commerce
League of Nebraska Municipalities
NE Cattlemen
OpenSky Policy Institute
Lincoln Independent Business Association

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB 44 proposes to adopt the Remote Seller Sales Tax Collection Act. The legislation would require remote sellers (online retailer without a physical presence in our state) to collect and remit sales tax if their gross revenue in Nebraska exceeds \$100,000 or their sales in Nebraska consist of 200 or more separate transactions.

If the remote seller refuses to collect Nebraska sales tax, the remote seller would have to notify Nebraska purchasers that the sales or use tax is due and that the State of Nebraska requires the purchaser to file a sales or use tax return. The remote seller would be subject to a \$5 penalty for each failure to notify. Furthermore, the remote seller must send notification annually to Nebraska purchasers by January 31 reflecting the total amount of purchases made in the previous year. Failure to send this notification would subject the remote seller to a \$10 penalty. Finally, the remote seller is required to file an annual statement for each purchaser by March 1 with the Department of Revenue showing the total amount paid in the previous year. Failure to file this annual statement would subject the remote seller to a penalty of \$10 for each purchaser that should have been included on the statement.

Jim Smith, Chairperson