

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 57**

FINAL READING

Introduced by Morfeld, 46; Hunt, 8.

Read first time January 10, 2019

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to rental property; to amend sections 77-2701  
2 and 77-2701.04, Reissue Revised Statutes of Nebraska; to define  
3 terms; to prohibit ordinances and other regulations prohibiting  
4 short-term rentals of residential property as prescribed; to provide  
5 for agreements with online hosting platforms regarding taxation; to  
6 harmonize provisions; to provide a duty for the Revisor of Statutes;  
7 and to repeal the original sections.  
8 Be it enacted by the people of the State of Nebraska,

1           Section 1. (1) For purposes of this section:

2           (a) Municipality means a city or village; and

3           (b) Short-term rental means a residential property, including a  
4 single-family dwelling or a unit in a condominium, cooperative, or time-  
5 share, that is rented wholly or partly for a fee for a period not longer  
6 than thirty consecutive days.

7           (2) A municipality shall not adopt or enforce an ordinance or other  
8 regulation that expressly or effectively prohibits the use of a property  
9 as a short-term rental.

10          (3) A municipality may adopt or enforce an ordinance or other  
11 regulation that specifically regulates property used as a short-term  
12 rental only if the municipality demonstrates that the primary purpose of  
13 the ordinance or other regulation is to protect the public's health and  
14 safety. An ordinance or other regulation authorized by this subsection  
15 includes:

16          (a) Requirements addressing:

17           (i) Fire and building codes;

18           (ii) Health and sanitation;

19           (iii) Traffic control; and

20           (iv) Solid or hazardous waste and pollution control; and

21          (b) Requirements regarding the designation of an emergency contact  
22 for the property.

23          (4) A municipality may adopt or enforce an ordinance or other  
24 regulation that imposes a sales tax or an occupation tax on short-term  
25 rentals if the tax is otherwise permitted by applicable law.

26          (5) A municipality may adopt or enforce an ordinance or other  
27 regulation that limits or prohibits the use of a short-term rental only  
28 if the law limits or prohibits the use of a short-term rental for the  
29 purpose of:

30           (a) Housing sex offenders;

31           (b) Operating a structured sober living home or similar enterprise;

1           (c) Selling illegal drugs;

2           (d) Selling alcohol or another activity that requires a permit or  
3 license under the Nebraska Liquor Control Act; or

4           (e) Operating a sexually oriented business.

5           (6) A municipality shall apply an ordinance or other regulation  
6 regulating land use to a short-term rental in the same manner as another  
7 similar property. An ordinance or other regulation described by this  
8 subsection includes:

9           (a) Residential use and other zoning matters;

10          (b) Noise and other nuisances; and

11          (c) Property maintenance.

12          (7) This section shall not be construed to affect regulations of a  
13 private entity, including a homeowners association organized under the  
14 Condominium Property Act or the Nebraska Condominium Act.

15          Sec. 2. Section 77-2701, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17          77-2701 Sections 77-2701 to 77-27,135.01, 77-27,222, 77-27,235,  
18 77-27,236, and 77-27,238 and section 4 of this act shall be known and may  
19 be cited as the Nebraska Revenue Act of 1967.

20          Sec. 3. Section 77-2701.04, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22          77-2701.04 For purposes of sections 77-2701.04 to 77-2713 and  
23 section 4 of this act, unless the context otherwise requires, the  
24 definitions found in sections 77-2701.05 to 77-2701.55 shall be used.

25          Sec. 4. (1) For purposes of this section, online hosting platform  
26 means a marketplace connected by computer to one or more other computers  
27 or networks, as through a commercial electronic information service or  
28 the Internet, through which (a) a seller or hotel operator may rent or  
29 furnish any room or rooms, lodgings, or accommodations in a hotel, a  
30 motel, an inn, a tourist camp, a tourist cabin, or any other place, (b)  
31 such room or rooms, lodgings, or accommodations may be advertised or

1 listed, and (c) a purchaser or occupant may arrange for the occupancy of  
2 such room or rooms, lodgings, or accommodations.

3 (2) The Tax Commissioner may enter into an agreement with an online  
4 hosting platform to permit the online hosting platform to collect and pay  
5 the applicable sales taxes imposed under the Local Option Revenue Act,  
6 the Nebraska Revenue Act of 1967, the Nebraska Visitors Development Act,  
7 and sections 13-318 to 13-326 and 13-2813 to 13-2816 on behalf of the  
8 seller or hotel operator otherwise required to collect such taxes for  
9 transactions consummated through the online hosting platform. Upon  
10 entering into such agreement with the online hosting platform, the Tax  
11 Commissioner shall waive the tax collection responsibility of a seller or  
12 hotel operator for transactions consummated through the online hosting  
13 platform for which the online hosting platform has assumed this  
14 responsibility. The online hosting platform shall give written notice to  
15 each seller or hotel operator which is covered by the agreement between  
16 the online hosting platform and the Tax Commissioner.

17 (3) Upon entering into an agreement with the Tax Commissioner under  
18 this section, the online hosting platform shall report aggregate  
19 information on the tax return prescribed by the Tax Commissioner,  
20 including an aggregate of gross receipts, exemptions, adjustments, and  
21 taxable receipts of all transactions subject to the agreement.

22 Sec. 5. The Revisor of Statutes shall assign section 1 of this act  
23 to Chapter 18.

24 Sec. 6. Original sections 77-2701 and 77-2701.04, Reissue Revised  
25 Statutes of Nebraska, are repealed.