

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 433

Introduced by Revenue Committee: Linehan, 39, Chairperson; Albrecht, 17;
Briese, 41; Friesen, 34; Lindstrom, 18.

Read first time January 15, 2021

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
- 2 77-2701.02 and 77-27,132, Reissue Revised Statutes of Nebraska; to
- 3 change the sales and use tax rate; to harmonize provisions; to
- 4 provide an operative date; and to repeal the original sections.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2701.02, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 77-2701.02 Pursuant to section 77-2715.01:

4 (1) Until July 1, 1998, the rate of the sales tax levied pursuant to
5 section 77-2703 shall be five percent;

6 (2) Commencing July 1, 1998, and until July 1, 1999, the rate of the
7 sales tax levied pursuant to section 77-2703 shall be four and one-half
8 percent;

9 (3) Commencing July 1, 1999, and until the start of the first
10 calendar quarter after July 20, 2002, the rate of the sales tax levied
11 pursuant to section 77-2703 shall be five percent;~~and~~

12 (4) Commencing on the start of the first calendar quarter after July
13 20, 2002, and until July 1, 2022, the rate of the sales tax levied
14 pursuant to section 77-2703 shall be five and one-half percent; and -

15 (5) Commencing July 1, 2022, the rate of the sales tax levied
16 pursuant to section 77-2703 shall be XX percent.

17 Sec. 2. Section 77-27,132, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 77-27,132 (1) There is hereby created a fund to be designated the
20 Revenue Distribution Fund which shall be set apart and maintained by the
21 Tax Commissioner. Revenue not required to be credited to the General Fund
22 or any other specified fund may be credited to the Revenue Distribution
23 Fund. Credits and refunds of such revenue shall be paid from the Revenue
24 Distribution Fund. The balance of the amount credited, after credits and
25 refunds, shall be allocated as provided by the statutes creating such
26 revenue.

27 (2) The Tax Commissioner shall pay to a depository bank designated
28 by the State Treasurer all amounts collected under the Nebraska Revenue
29 Act of 1967. The Tax Commissioner shall present to the State Treasurer
30 bank receipts showing amounts so deposited in the bank, and of the
31 amounts so deposited the State Treasurer shall:

1 (a) For transactions occurring on or after October 1, 2014, and
2 before October 1, 2022, credit to the Game and Parks Commission Capital
3 Maintenance Fund all of the proceeds of the sales and use taxes imposed
4 pursuant to section 77-2703 on the sale or lease of motorboats as defined
5 in section 37-1204, personal watercraft as defined in section 37-1204.01,
6 all-terrain vehicles as defined in section 60-103, and utility-type
7 vehicles as defined in section 60-135.01;

8 (b) Credit to the Highway Trust Fund all of the proceeds of the
9 sales and use taxes derived from the sale or lease for periods of more
10 than thirty-one days of motor vehicles, trailers, and semitrailers,
11 except that the proceeds equal to any sales tax rate provided for in
12 section 77-2701.02 that is in excess of ~~xx~~ five percent derived from the
13 sale or lease for periods of more than thirty-one days of motor vehicles,
14 trailers, and semitrailers shall be credited to the Highway Allocation
15 Fund;

16 (c) For transactions occurring on or after July 1, 2013, and before
17 July 1, 2033, of the proceeds of the sales and use taxes derived from
18 transactions other than those listed in subdivisions (2)(a) and (b) of
19 this section from a sales tax rate of one-quarter of one percent, credit
20 monthly eighty-five percent to the State Highway Capital Improvement Fund
21 and fifteen percent to the Highway Allocation Fund; and

22 (d) Of the proceeds of the sales and use taxes derived from
23 transactions other than those listed in subdivisions (2)(a) and (b) of
24 this section, credit to the Property Tax Credit Cash Fund the amount
25 certified under section 77-27,237, if any such certification is made.

26 The balance of all amounts collected under the Nebraska Revenue Act
27 of 1967 shall be credited to the General Fund.

28 Sec. 3. This act becomes operative on July 1, 2022.

29 Sec. 4. Original sections 77-2701.02 and 77-27,132, Reissue Revised
30 Statutes of Nebraska, are repealed.