

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SPECIAL SESSION

LEGISLATIVE BILL 55

Introduced by Wayne, 13.

Read first time July 29, 2024

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
2 77-2701, Revised Statutes Supplement, 2023, as amended by Laws 2024,
3 LB937, section 67, Laws 2024, LB1023, section 8, and Laws 2024,
4 LB1317, section 80; and section 77-2701.04, Revised Statutes
5 Supplement, 2023, as amended by Laws 2024, LB937, section 68, and
6 Laws 2024, LB1317, section 82; to provide for a luxury tax; to
7 harmonize provisions; to provide an operative date; and to repeal
8 the original sections.
9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2701, Revised Statutes Supplement, 2023, as
2 amended by Laws 2024, LB937, section 67, Laws 2024, LB1023, section 8,
3 and Laws 2024, LB1317, section 80, is amended to read:

4 77-2701 Sections 77-2701 to 77-27,135.01, 77-27,222, 77-27,235,
5 77-27,236, and 77-27,238 to 77-27,241, section 71 of this act, section 11
6 of this act, ~~and~~ section 84 of this act, and section 3 of this act shall
7 be known and may be cited as the Nebraska Revenue Act of 1967.

8 Sec. 2. Section 77-2701.04, Revised Statutes Supplement, 2023, as
9 amended by Laws 2024, LB937, section 68, and Laws 2024, LB1317, section
10 82, is amended to read:

11 77-2701.04 For purposes of sections 77-2701.04 to 77-2713 and
12 77-27,239, section 71 of this act, ~~and~~ section 84 of this act, and
13 section 3 of this act, unless the context otherwise requires, the
14 definitions found in sections 77-2701.05 to 77-2701.56 shall be used.

15 Sec. 3. (1) A luxury tax is hereby imposed upon the purchaser of
16 any:

17 (a) Motor vehicle that costs more than fifty thousand dollars;

18 (b) Jewelry that costs more than five thousand dollars; and

19 (c) Clothing that costs more than one thousand dollars.

20 (2) Purchases of the following are exempt from the luxury tax:

21 (a) Any motor vehicle purchased by a nonresident serving on active
22 duty in Nebraska as a member of the United States Armed Forces or the
23 United States Reserve Forces or by such nonresident's spouse;

24 (b) Any motor vehicle with a gross vehicle weight rating of more
25 than twelve thousand five hundred pounds; and

26 (c) Any motor vehicle with a gross vehicle weight rating less than
27 or equal to twelve thousand five hundred pounds that is designed or used
28 for commercial purposes and is registered as a commercial motor vehicle.

29 (3) Except as provided in subsection (4) of this section, the luxury
30 tax shall be equal to two and one-quarter percent of the purchase price
31 plus any additional tax determined under subsection (5) of this section.

1 (4) For any purchase exceeding four hundred thousand dollars, the
2 luxury tax shall be equal to three and seven-tenths percent of the amount
3 of the purchase price plus any additional tax determined under subsection
4 (5) of this section.

5 (5)(a) An additional tax shall be added to the luxury tax due under
6 this section for purchases of the following:

7 (i) Any passenger motor vehicle that costs more than one hundred
8 thousand dollars;

9 (ii) Any watercraft that cost more than two hundred thousand
10 dollars;

11 (iii) Any aircraft that costs more than five hundred thousand
12 dollars; and

13 (iv) Jewelry, fur clothing, or fur footwear that costs more than
14 five thousand dollars.

15 (b) The additional tax shall be equal to five percent of the portion
16 of the purchase price that exceeds:

17 (i) Eighty thousand dollars for any passenger motor vehicle;

18 (ii) Two hundred thousand dollars for any watercraft;

19 (iii) Five hundred thousand dollars for any aircraft; and

20 (iv) Five thousand dollars for jewelry, fur clothing, or fur
21 footwear.

22 (6) The luxury tax shall be in addition to all other taxes.

23 (7) The luxury tax shall be collected by the seller and remitted to
24 and enforced by the Department of Revenue.

25 (8) All taxes remitted to the Department of Revenue under this
26 section shall be remitted to the State Treasurer for credit to the
27 General Fund.

28 (9) The Department of Revenue may adopt and promulgate rules and
29 regulations to carry out this section.

30 Sec. 4. This act becomes operative on January 1, 2025.

31 Sec. 5. Original section 77-2701, Revised Statutes Supplement,

1 2023, as amended by Laws 2024, LB937, section 67, Laws 2024, LB1023,
2 section 8, and Laws 2024, LB1317, section 80; and section 77-2701.04,
3 Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937,
4 section 68, and Laws 2024, LB1317, section 82, are repealed.