

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 261**

Introduced by Gloor, 35.

Read first time January 14, 2015

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections  
2 13-519, 13-520, 77-115, 77-376, and 77-1248, Reissue Revised  
3 Statutes of Nebraska, and sections 23-2306, 69-2708, 70-1903,  
4 77-1342, 77-2604, 77-2604.01, 77-27,235, 77-2904, and 77-3442,  
5 Revised Statutes Cumulative Supplement, 2014; to eliminate obsolete  
6 provisions relating to transferring the assessment function to  
7 counties; to change provisions relating to the sharing of tax  
8 information; to redefine qualified owner under the Rural Community-  
9 Based Energy Development Act; to change provisions relating to the  
10 valuation of flight equipment of air carriers; to disallow interest  
11 on refunds relating to certain tax credits; to harmonize provisions;  
12 to provide operative dates; to repeal the original sections; to  
13 outright repeal sections 77-1340.05 and 77-1340.06, Reissue Revised  
14 Statutes of Nebraska, and section 77-1340.04, Revised Statutes  
15 Cumulative Supplement, 2014; and to declare an emergency.

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

1 Section 1. Section 13-519, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 13-519 (1)(a) Subject to subdivision (1)(b) of this section, for all  
4 fiscal years beginning on or after July 1, 1998, no governmental unit  
5 shall adopt a budget containing a total of budgeted restricted funds more  
6 than the last prior year's total of budgeted restricted funds plus  
7 allowable growth plus the basic allowable growth percentage of the base  
8 limitation established under section 77-3446. For the second fiscal year  
9 in which a county will receive a full year of receipts from the tax  
10 imposed in sections 77-27,223 to 77-27,227, the prior year's total of  
11 restricted funds shall be the prior year's total of restricted funds plus  
12 the total receipts from the tax imposed in sections 77-27,223 to  
13 77-27,227 in the prior year. ~~For fiscal years 2010-11 through 2013-14 in~~  
14 ~~which a county will reassume the assessment function pursuant to section~~  
15 ~~77-1340 or 77-1340.04, the prior year's total of restricted funds shall~~  
16 ~~be the prior year's total of restricted funds plus the total budgeted for~~  
17 ~~the reassumption of the assessment function.~~ If a governmental unit  
18 transfers the financial responsibility of providing a service financed in  
19 whole or in part with restricted funds to another governmental unit or  
20 the state, the amount of restricted funds associated with providing the  
21 service shall be subtracted from the last prior year's total of budgeted  
22 restricted funds for the previous provider and may be added to the last  
23 prior year's total of restricted funds for the new provider. For  
24 governmental units that have consolidated, the calculations made under  
25 this section for consolidating units shall be made based on the combined  
26 total of restricted funds, population, or full-time equivalent students  
27 of each governmental unit.

28 (b) For all fiscal years beginning on or after July 1, 2008,  
29 educational service units may exceed the limitations of subdivision (1)  
30 (a) of this section to the extent that one hundred ten percent of the  
31 needs for the educational service unit calculated pursuant to section

1 79-1241.03 exceeds the budgeted restricted funds allowed pursuant to  
2 subdivision (1)(a) of this section.

3 (2) A governmental unit may exceed the limit provided in subdivision  
4 (1)(a) of this section for a fiscal year by up to an additional one  
5 percent upon the affirmative vote of at least seventy-five percent of the  
6 governing body.

7 (3) A governmental unit may exceed the applicable allowable growth  
8 percentage otherwise prescribed in this section by an amount approved by  
9 a majority of legal voters voting on the issue at a special election  
10 called for such purpose upon the recommendation of the governing body or  
11 upon the receipt by the county clerk or election commissioner of a  
12 petition requesting an election signed by at least five percent of the  
13 legal voters of the governmental unit. The recommendation of the  
14 governing body or the petition of the legal voters shall include the  
15 amount and percentage by which the governing body would increase its  
16 budgeted restricted funds for the ensuing year over and above the current  
17 year's budgeted restricted funds. The county clerk or election  
18 commissioner shall call for a special election on the issue within thirty  
19 days after the receipt of such governing body recommendation or legal  
20 voter petition. The election shall be held pursuant to the Election Act,  
21 and all costs shall be paid by the governing body. The issue may be  
22 approved on the same question as a vote to exceed the levy limits  
23 provided in section 77-3444.

24 (4) In lieu of the election procedures in subsection (3) of this  
25 section, any governmental unit may exceed the allowable growth percentage  
26 otherwise prescribed in this section by an amount approved by a majority  
27 of legal voters voting at a meeting of the residents of the governmental  
28 unit, called after notice is published in a newspaper of general  
29 circulation in the governmental unit at least twenty days prior to the  
30 meeting. At least ten percent of the registered voters residing in the  
31 governmental unit shall constitute a quorum for purposes of taking action

1 to exceed the allowable growth percentage. If a majority of the  
2 registered voters present at the meeting vote in favor of exceeding the  
3 allowable growth percentage, a copy of the record of that action shall be  
4 forwarded to the Auditor of Public Accounts along with the budget  
5 documents. The issue to exceed the allowable growth percentage may be  
6 approved at the same meeting as a vote to exceed the limits or final levy  
7 allocation provided in section 77-3444.

8 Sec. 2. Section 13-520, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 13-520 The limitations in section 13-519 shall not apply to (1)  
11 restricted funds budgeted for capital improvements, (2) restricted funds  
12 expended from a qualified sinking fund for acquisition or replacement of  
13 tangible personal property with a useful life of five years or more, (3)  
14 restricted funds pledged to retire bonded indebtedness, used by a public  
15 airport to retire interest-free loans from the Department of Aeronautics  
16 in lieu of bonded indebtedness at a lower cost to the public airport, or  
17 used to pay other financial instruments that are approved and agreed to  
18 before July 1, 1999, in the same manner as bonds by a governing body  
19 created under section 35-501, (4) restricted funds budgeted in support of  
20 a service which is the subject of an agreement or a modification of an  
21 existing agreement whether operated by one of the parties to the  
22 agreement or by an independent joint entity or joint public agency, (5)  
23 restricted funds budgeted to pay for repairs to infrastructure damaged by  
24 a natural disaster which is declared a disaster emergency pursuant to the  
25 Emergency Management Act, (6) restricted funds budgeted to pay for  
26 judgments, except judgments or orders from the Commission of Industrial  
27 Relations, obtained against a governmental unit which require or obligate  
28 a governmental unit to pay such judgment, to the extent such judgment is  
29 not paid by liability insurance coverage of a governmental unit, or (7)  
30 the dollar amount by which restricted funds budgeted by a natural  
31 resources district to administer and implement ground water management

1 activities and integrated management activities under the Nebraska Ground  
2 Water Management and Protection Act exceed its restricted funds budgeted  
3 to administer and implement ground water management activities and  
4 integrated management activities for FY2003-04, ~~or (8) restricted funds~~  
5 ~~budgeted to pay for the reassumption of the assessment function pursuant~~  
6 ~~to section 77-1340 or 77-1340.04 in fiscal years 2010-11 through 2013-14.~~

7 Sec. 3. Section 23-2306, Revised Statutes Cumulative Supplement,  
8 2014, is amended to read:

9 23-2306 (1) The membership of the retirement system shall be  
10 composed of all persons who are or were employed by member counties and  
11 who maintain an account balance with the retirement system.

12 (2) The following employees of member counties are authorized to  
13 participate in the retirement system: (a) All permanent full-time  
14 employees shall begin participation in the retirement system upon  
15 employment and full-time elected officials shall begin participation in  
16 the retirement system upon taking office, (b) all permanent part-time  
17 employees who have attained the age of eighteen years may exercise the  
18 option to begin participation in the retirement system within the first  
19 thirty days of employment, and (c) all part-time elected officials may  
20 exercise the option to begin participation in the retirement system  
21 within thirty days after taking office. An employee who exercises the  
22 option to begin participation in the retirement system shall remain in  
23 the system until termination or retirement, regardless of any change of  
24 status as a permanent or temporary employee.

25 (3) On and after July 1, 2010, no employee of a member county shall  
26 be authorized to participate in the retirement system provided for in the  
27 County Employees Retirement Act unless the employee (a) is a United  
28 States citizen or (b) is a qualified alien under the federal Immigration  
29 and Nationality Act, 8 U.S.C. 1101 et seq., as such act existed on  
30 January 1, 2009, and is lawfully present in the United States.

31 (4) On and after July 1, 2013, the board may determine that a

1 governmental entity currently participating in the retirement system no  
2 longer qualifies under section 414(d) of the Internal Revenue Code as a  
3 participating employer in a governmental plan. Upon such determination,  
4 affected plan members shall be considered fully vested. The board shall  
5 notify such entity within ten days after making a determination. Within  
6 ninety days after the board's notice to such entity, affected plan  
7 members shall become inactive. The board may adopt and promulgate rules  
8 and regulations to carry out this subsection.

9 (5) Within the first one hundred eighty days of employment, a full-  
10 time employee may apply to the board for vesting credit for years of  
11 participation in another Nebraska governmental plan, as defined by  
12 section 414(d) of the Internal Revenue Code. During the years of  
13 participation in the other Nebraska governmental plan, the employee must  
14 have been a full-time employee, as defined in the Nebraska governmental  
15 plan in which the credit was earned. The board may adopt and promulgate  
16 rules and regulations governing the assessment and granting of vesting  
17 credit.

18 (6) Any employee who qualifies for membership in the retirement  
19 system pursuant to this section may not be disqualified from membership  
20 in the retirement system solely because such employee also maintains  
21 separate employment which qualifies the employee for membership in  
22 another public retirement system, nor may membership in this retirement  
23 system disqualify such an employee from membership in another public  
24 retirement system solely by reason of separate employment which qualifies  
25 such employee for membership in this retirement system.

26 (7) A full-time or part-time employee of a city, village, or  
27 township who becomes a county employee pursuant to a merger of services  
28 shall receive vesting credit for his or her years of participation in a  
29 Nebraska governmental plan, as defined by section 414(d) of the Internal  
30 Revenue Code, of the city, village, or township.

31 (8) A full-time or part-time employee of a city, village, fire

1 protection district, or township who becomes a municipal county employee  
2 shall receive credit for his or her years of employment with the city,  
3 village, fire protection district, or township for purposes of the  
4 vesting provisions of this section.

5 (9) A full-time or part-time employee of the state who becomes a  
6 county employee pursuant to transfer of assessment function to a county  
7 ~~under section 77-1340 or 77-1340.04~~ shall not be deemed to have  
8 experienced a termination of employment and shall receive vesting credit  
9 for his or her years of participation in the State Employees Retirement  
10 System of the State of Nebraska.

11 (10) Counties shall ensure that employees authorized to participate  
12 in the retirement system pursuant to this section shall enroll and make  
13 required contributions to the retirement system immediately upon becoming  
14 an employee. Information necessary to determine membership in the  
15 retirement system shall be provided by the employer.

16 Sec. 4. Section 69-2708, Revised Statutes Cumulative Supplement,  
17 2014, is amended to read:

18 69-2708 (1) Not later than fifteen days following the end of each  
19 month, each stamping agent shall submit, in the manner directed by the  
20 Tax Commissioner, such information as the Tax Commissioner requires to  
21 facilitate compliance with sections 69-2704 to 69-2711, including, but  
22 not limited to (a) a list by brand family of the total number of  
23 cigarettes or, in the case of roll-your-own, the equivalent stick count  
24 for which the stamping agent affixed stamps during the previous month or  
25 otherwise paid the total due for such cigarettes, the total number of  
26 cigarettes contained in the packages to which it affixed each respective  
27 type of stamp, and by name and number of cigarettes, the tobacco product  
28 manufacturers and brand families of the packages to which it affixed each  
29 respective type of stamp or similar information for roll-your-own on  
30 which tax was paid and (b) the total number of cigarettes acquired by the  
31 stamping agent during that month for sale in or into the state or for

1 sale from this state into another state, sold in or into the state by the  
2 stamping agent during that month and held in inventory in the state or  
3 for sale into the state by the stamping agent as of the last business day  
4 of that month, in each case identifying by name and number of cigarettes,  
5 (i) the manufacturers of those cigarettes and (ii) the brand families of  
6 those cigarettes. In the case of a stamping agent that is a retailer,  
7 reports under subdivision (1)(a) of this section do not have to include  
8 cigarettes contained in packages that bore a stamp required under section  
9 77-2603 or 77-2603.01 at the time the stamping agent received them and  
10 that the stamping agent then sold at retail. The stamping agent shall  
11 also submit a certification stating that the information provided to the  
12 Tax Commissioner is complete and accurate. The stamping agent shall  
13 maintain, and make available to the Tax Commissioner, all invoices and  
14 documentation of sales of all nonparticipating manufacturer cigarettes  
15 and any other information relied upon in reporting to the Tax  
16 Commissioner for a period of five years. ~~The Tax Commissioner may share~~  
17 ~~the information reported under this section with the taxing or law~~  
18 ~~enforcement authorities of this state or other states. The Tax~~  
19 ~~Commissioner may also share with a nonparticipating manufacturer~~  
20 ~~information reported under this section pertaining to such~~  
21 ~~nonparticipating manufacturer's cigarettes.~~

22 (2) The Attorney General may require at any time from the  
23 nonparticipating manufacturer proof, from the financial institution in  
24 which such manufacturer has established a qualified escrow fund for the  
25 purpose of compliance with section 69-2703, of the amount of money in  
26 such fund, exclusive of interest, the amounts and dates of each deposit  
27 to such fund, and the amounts and dates of each withdrawal from such  
28 fund.

29 (3) In addition to the information required to be submitted pursuant  
30 to subsection (1) of this section, the Tax Commissioner or Attorney  
31 General may require a stamping agent, distributor, or tobacco product



1 manufacturer to submit any additional information, including, but not  
2 limited to, samples of the packaging or labeling of each brand family, as  
3 is necessary to enable the Tax Commissioner or Attorney General to  
4 determine whether a tobacco product manufacturer is in compliance with  
5 sections 69-2704 to 69-2711.

6 (4) The Tax Commissioner or the Attorney General may require  
7 production of information sufficient to enable the Tax Commissioner or  
8 Attorney General to determine the adequacy of the amount of a quarterly  
9 escrow deposit under subdivision (2) of section 69-2703. The Tax  
10 Commissioner may adopt and promulgate rules and regulations implementing  
11 how tobacco product manufacturers subject to subdivision (2) of section  
12 69-2703 make quarterly payments.

13 Sec. 5. Section 70-1903, Revised Statutes Cumulative Supplement,  
14 2014, is amended to read:

15 70-1903 For purposes of the Rural Community-Based Energy Development  
16 Act:

17 (1) C-BED project or community-based energy development project  
18 means a new energy generation project using wind, solar, biomass, or  
19 landfill gas as the fuel source that:

20 (a) Has at least twenty-five percent of the gross power purchase  
21 agreement payments flowing to the qualified owner or owners or as  
22 payments to the local community; and

23 (b) Has a resolution of support adopted:

24 (i) By the county board of each county in which the C-BED project is  
25 to be located; or

26 (ii) By the tribal council for a C-BED project located within the  
27 boundaries of an Indian reservation;

28 (2) Electric utility means an electric supplier that:

29 (a) Owns more than one hundred miles of one-hundred-fifteen-kilovolt  
30 or larger transmission lines in the State of Nebraska;

31 (b) Owns more than two hundred megawatts of electric generating

1 facilities; and

2 (c) Has the obligation to directly serve more than two hundred  
3 megawatts of wholesale or retail electric load in the State of Nebraska;

4 (3) Gross power purchase agreement payments means the total amount  
5 of payments during the first twenty years of the agreement;

6 (4) Payments to the local community include, but are not limited to:

7 (a) Lease and easement payments to property owners made as part of a  
8 C-BED project;

9 (b) Contract payments for concrete, steel, gravel, towers, turbines,  
10 blades, wire, or engineering, procurement, construction, geotechnical,  
11 environmental, meteorological, or legal services or payments for other  
12 components, equipment, materials, or services that are necessary to  
13 permit or construct the C-BED project and that are provided by a company  
14 that has been organized or incorporated in Nebraska under Nebraska law  
15 and has employed at least five Nebraska residents for at least eighteen  
16 months prior to the date of the project application for certification as  
17 a C-BED project; and

18 (c) Payments that are for physical parts, materials, or components  
19 that are manufactured, assembled, or fabricated in Nebraska and that are  
20 not described in subdivision (a) or (b) of this subdivision.

21 Such payments need not be made directly from power purchase  
22 agreement revenue and may be made from other funds in advance of  
23 receiving power purchase agreement revenue; and

24 (5) Qualified owner means:

25 (a) A Nebraska resident;

26 (b) A limited liability company that is organized under the Nebraska  
27 Uniform Limited Liability Company Act ~~and that is made up of members who~~  
28 ~~are Nebraska residents;~~

29 (c) A Nebraska nonprofit corporation organized under the Nebraska  
30 Nonprofit Corporation Act;

31 (d) An electric supplier as defined in section 70-1001.01, except

1 that ownership in a single C-BED project is limited to no more than:

2 (i) Fifteen percent either directly or indirectly by a single  
3 electric supplier; and

4 (ii) A combined total of twenty-five percent ownership either  
5 directly or indirectly by multiple electric suppliers;

6 (e) A tribal council;

7 (f) A domestic corporation organized in Nebraska under the Business  
8 Corporation Act or the Nebraska Model Business Corporation Act and  
9 domiciled in Nebraska; or

10 (g) A cooperative corporation organized under sections 21-1301 to  
11 21-1306 and domiciled in Nebraska.

12 Sec. 6. Section 77-115, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 77-115 County assessor includes an elected or appointed county  
15 assessor or a county clerk who is an ex officio county assessor.—~~In~~  
16 ~~counties in which the state has assumed the assessment function, the~~  
17 ~~Property Tax Administrator or his or her designee performs the duties and~~  
18 ~~has the authority of the county assessor.~~

19 Sec. 7. Section 77-376, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21 77-376 The Tax Commissioner may examine or cause to be examined in  
22 his or her behalf, and make memoranda from, any of the financial records  
23 of state and local subdivisions, persons, and corporations subject to the  
24 tax laws of this state. No information shall be released that is not so  
25 authorized by existing statutes. Unless otherwise prohibited by law, the  
26 Tax Commissioner may share the information examined with the taxing or  
27 law enforcement authorities of this state, other states, and the federal  
28 government.

29 Sec. 8. Section 77-1248, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 77-1248 (1) The Property Tax Administrator shall ascertain from the

1 reports made and from any other information obtained by him or her the  
2 taxable value of the flight equipment of air carriers and the proportion  
3 allocated to this state for the purposes of taxation as provided in  
4 section 77-1245.

5 (2)(a) In determining the taxable value of the flight equipment of  
6 air carriers pursuant to subsection (1) of this section, the Property Tax  
7 Administrator shall determine the following ratios:

8 (i) The ratio of the taxable value of all commercial and industrial  
9 depreciable tangible personal property in the state actually subjected to  
10 property tax to the market value of all commercial and industrial  
11 depreciable tangible personal property in the state; and

12 (ii) The ratio of the taxable value of flight equipment of air  
13 carriers to the market value of flight equipment of air carriers.

14 (b) If the ratio of the taxable value of flight equipment of air  
15 carriers exceeds the ratio of the taxable value of commercial and  
16 industrial depreciable tangible personal property by more than five  
17 percent, the Property Tax Administrator may adjust the value of such  
18 flight equipment of air carriers to the percentage of the taxable  
19 commercial and industrial depreciable tangible personal property pursuant  
20 to federal law applicable to air carrier transportation property or  
21 Nebraska federal court decisions applicable thereto.

22 (c) For purposes of this subsection, commercial and industrial  
23 depreciable tangible personal property means all personal property which  
24 is devoted to commercial or industrial use other than flight equipment of  
25 air carriers.

26 Sec. 9. Section 77-1342, Revised Statutes Cumulative Supplement,  
27 2014, is amended to read:

28 77-1342 There is hereby created a fund to be known as the Department  
29 of Revenue Property Assessment Division Cash Fund to which shall be  
30 credited all money received by the Department of Revenue for services  
31 performed for county and multicounty assessment districts, for charges

1 for publications, manuals, and lists, as an assessor's examination fee  
2 authorized by section 77-421, and under the provisions of sections  
3 60-3,202, 77-684, and 77-1250,~~and 77-1340~~. The fund shall be used to  
4 carry out any duties and responsibilities of the department, except that  
5 transfers may be made from the fund to the General Fund at the direction  
6 of the Legislature. The county or multicounty assessment district shall  
7 be billed by the department for services rendered. Reimbursements to the  
8 department shall be credited to the Department of Revenue Property  
9 Assessment Division Cash Fund, and expenditures therefrom shall be made  
10 only when such funds are available. The department shall only bill for  
11 the actual amount expended in performing the service.

12 The fund shall not, at the close of each year, be lapsed to the  
13 General Fund. Any money in the Department of Revenue Property Assessment  
14 Division Cash Fund available for investment shall be invested by the  
15 state investment officer pursuant to the Nebraska Capital Expansion Act  
16 and the Nebraska State Funds Investment Act.

17 Sec. 10. Section 77-2604, Revised Statutes Cumulative Supplement,  
18 2014, is amended to read:

19 77-2604 (1) Every stamping agent, wholesale dealer, and retail  
20 dealer who is subject to sections 77-2601 to 77-2622 shall make and file  
21 with the Tax Commissioner, on or before the fifteenth day of each  
22 calendar month on blanks furnished by the Tax Commissioner, true,  
23 correct, and sworn reports covering, for the last preceding calendar  
24 month, the number of cigarettes purchased, from whom purchased, the  
25 specific kinds and brands thereof, the manufacturer, if known, and such  
26 other matters and in such detail as the Tax Commissioner may require.

27 (2)(a) Each manufacturer and importer that sells cigarettes in or  
28 into the state shall, within fifteen days following the end of each  
29 month, file a report on a form and in the manner prescribed by the Tax  
30 Commissioner and certify to the state that the report is complete and  
31 accurate.

1 (b) The report shall contain the following information: The total  
2 number of cigarettes sold by that manufacturer or importer in or into the  
3 state during that month and identifying by name and number of cigarettes,  
4 (i) the manufacturers of those cigarettes, (ii) the brand families of  
5 those cigarettes, and (iii) the purchasers of those cigarettes. A  
6 manufacturer's or importer's report shall include cigarettes sold in or  
7 into the state through its sales entity affiliate.

8 (c) The requirements of this subsection shall be satisfied and no  
9 further report shall be required under this section with respect to  
10 cigarettes if the manufacturer or importer timely submits to the Tax  
11 Commissioner the report or reports required to be submitted by it with  
12 respect to those cigarettes under 15 U.S.C. 376 to the Tax Commissioner  
13 and certifies to the state that the reports are complete and accurate.

14 (d) Upon request by the Tax Commissioner, a manufacturer or importer  
15 shall provide copies of all sales reports referenced in subdivisions (2)  
16 (a) and (b) of this section that it filed in other states.

17 (e) Each manufacturer and importer that sells cigarettes in or into  
18 the state shall either (i) submit its federal excise tax returns and all  
19 monthly operational reports on Alcohol and Tobacco Tax and Trade Bureau  
20 Form 5210.5 and all adjustments, changes, and amendments to such reports  
21 to the Tax Commissioner no later than sixty days after the close of the  
22 quarter in which the returns were filed or (ii) submit to the United  
23 States Treasury a request or consent under section 6103(c) of the  
24 Internal Revenue Code of 1986 as defined in section 49-801.01 authorizing  
25 the federal Alcohol and Tobacco Tax and Trade Bureau and, in the case of  
26 a foreign manufacturer or importer, the United States Customs Service to  
27 disclose the manufacturer's or importer's federal returns to the Tax  
28 Commissioner as of sixty days after the close of the quarter in which the  
29 returns were filed.

30 ~~(3) The Tax Commissioner may share the information reported under~~  
31 ~~this section with the taxing or law enforcement authorities of this state~~

1 ~~and other states.~~

2       Sec. 11. Section 77-2604.01, Revised Statutes Cumulative Supplement,  
3 2014, is amended to read:

4       77-2604.01 (1) Any person that sells cigarettes from this state into  
5 another state shall, within fifteen days following the end of each month,  
6 file a report on a form and in the manner prescribed by the Tax  
7 Commissioner and certify to the state that the report is complete and  
8 accurate.

9       (2) The report shall contain the following information:

10       (a) The total number of cigarettes sold from this state into another  
11 state by the person during that month, identifying by name and number of  
12 cigarettes (i) the manufacturers of those cigarettes, (ii) the brand  
13 families of those cigarettes, and (iii) the name and address of each  
14 recipient of those cigarettes;

15       (b) The number of stamps of each other state the person affixed to  
16 the packages containing those cigarettes during that month, the total  
17 number of cigarettes contained in the packages to which it affixed each  
18 respective other state's stamp and by name and number of cigarettes, and  
19 the manufacturers and brand families of the packages to which it affixed  
20 each respective other state's stamp; and

21       (c) If the person sold cigarettes during that month from this state  
22 into another state in packages not bearing a stamp of the other state,  
23 (i) the total number of cigarettes contained in such packages,  
24 identifying by name and number of cigarettes, the manufacturers of those  
25 cigarettes, the brand families of those cigarettes, and the name and  
26 address of each recipient of those cigarettes, and (ii) the person's  
27 basis for belief that such state permits the sale of the cigarettes to  
28 consumers in a package not bearing a stamp, and the amount of excise,  
29 use, or similar tax imposed on the cigarettes paid by the person to such  
30 state on the cigarettes. Manufacturers and importers need include the  
31 information described in subdivision (2)(c)(i) of this section only as to

1 cigarettes not sold to a person authorized by the law of the other state  
2 to affix the stamp required by the other state.

3 (3) In the case of a manufacturer or importer, the report shall  
4 include cigarettes sold from this state into another state through its  
5 sales entity affiliate. A sales entity affiliate shall file a separate  
6 report under this section only to the extent that it sold cigarettes from  
7 this state into another state not separately reported under this section  
8 by its affiliated manufacturer or importer.

9 ~~(4) The Tax Commissioner may share the information reported under~~  
10 ~~this section with the taxing or law enforcement authorities of this state~~  
11 ~~or other states.~~

12 Sec. 12. Section 77-27,235, Revised Statutes Cumulative Supplement,  
13 2014, is amended to read:

14 77-27,235 (1) Any producer of electricity generated by a new  
15 renewable electric generation facility shall earn a renewable energy tax  
16 credit. For electricity generated on or after July 14, 2006, and before  
17 October 1, 2007, the credit shall be .075 cent for each kilowatt-hour of  
18 electricity generated by a new renewable electric generation facility.  
19 For electricity generated on or after October 1, 2007, and before January  
20 1, 2010, the credit shall be .1 cent for each kilowatt-hour of  
21 electricity generated by a new renewable electric generation facility.  
22 For electricity generated on or after January 1, 2010, and before January  
23 1, 2013, the credit shall be .075 cent per kilowatt-hour for electricity  
24 generated by a new renewable electric generation facility. For  
25 electricity generated on or after January 1, 2013, the credit shall be .  
26 05 cent per kilowatt-hour for electricity generated by a new renewable  
27 electric generation facility. The credit may be earned for production of  
28 electricity for ten years after the date that the facility is placed in  
29 operation on or after July 14, 2006.

30 (2) For purposes of this section:

31 (a) Electricity generated by a new renewable electric generation



1 facility means electricity that is exclusively produced by a new  
2 renewable electric generation facility;

3 (b) Eligible renewable resources means wind, moving water, solar,  
4 geothermal, fuel cell, methane gas, or photovoltaic technology; and

5 (c) New renewable electric generation facility means an electrical  
6 generating facility located in this state that is first placed into  
7 service on or after July 14, 2006, which utilizes eligible renewable  
8 resources as its fuel source.

9 (3) The credit allowed under this section may be used to reduce the  
10 producer's Nebraska income tax liability or to obtain a refund of state  
11 sales and use taxes paid by the producer of electricity generated by a  
12 new renewable electric generation facility. A claim to use the credit for  
13 refund of the state sales and use taxes paid, either directly or  
14 indirectly, by the producer may be filed quarterly for electricity  
15 generated during the previous quarter by the twentieth day of the month  
16 following the end of the calendar quarter. The credit may be used to  
17 obtain a refund of state sales and use taxes paid during the quarter  
18 immediately preceding the quarter in which the claim for refund is made,  
19 except that the amount refunded under this subsection shall not exceed  
20 the amount of the state sales and use taxes paid during the quarter.

21 (4) The Department of Revenue may adopt and promulgate rules and  
22 regulations to permit verification of the validity and timeliness of any  
23 renewable energy tax credit claimed.

24 (5) The total amount of renewable energy tax credits that may be  
25 used by all taxpayers shall be limited to fifty thousand dollars without  
26 further authorization from the Legislature.

27 (6) The credit allowed under this section may not be claimed by a  
28 producer who received a sales tax exemption under section 77-2704.57 for  
29 the new renewable electric generation facility.

30 (7) Interest shall not be allowed on any refund paid under this  
31 section.

1           Sec. 13. Section 77-2904, Revised Statutes Cumulative Supplement,  
2 2014, is amended to read:

3           77-2904 (1) Any person incurring eligible expenditures may receive a  
4 nonrefundable credit against any income tax imposed by the Nebraska  
5 Revenue Act of 1967 or any tax imposed pursuant to sections 77-907 to  
6 77-918 or 77-3801 to 77-3807 for the year the historically significant  
7 real property is placed in service. The amount of the credit shall be  
8 equal to twenty percent of eligible expenditures up to a maximum credit  
9 of one million dollars.

10           (2) To claim the credit authorized under this section, a person must  
11 first apply and receive an allocation of credits and application approval  
12 under section 77-2905 and then request and receive final approval under  
13 section 77-2906.

14           (3) Interest shall not be allowed on any refund paid under the  
15 Nebraska Job Creation and Mainstreet Revitalization Act.

16           Sec. 14. Section 77-3442, Revised Statutes Cumulative Supplement,  
17 2014, is amended to read:

18           77-3442 (1) Property tax levies for the support of local governments  
19 for fiscal years beginning on or after July 1, 1998, shall be limited to  
20 the amounts set forth in this section except as provided in section  
21 77-3444.

22           (2)(a) Except as provided in subdivision (2)(e) of this section,  
23 school districts and multiple-district school systems, except learning  
24 communities and school districts that are members of learning  
25 communities, may levy a maximum levy of one dollar and five cents per one  
26 hundred dollars of taxable valuation of property subject to the levy.

27           (b) For each fiscal year, learning communities may levy a maximum  
28 levy for the general fund budgets of member school districts of ninety-  
29 five cents per one hundred dollars of taxable valuation of property  
30 subject to the levy. The proceeds from the levy pursuant to this  
31 subdivision shall be distributed pursuant to section 79-1073.

1 (c) Except as provided in subdivision (2)(e) of this section, for  
2 each fiscal year, school districts that are members of learning  
3 communities may levy for purposes of such districts' general fund budget  
4 and special building funds a maximum combined levy of the difference of  
5 one dollar and five cents on each one hundred dollars of taxable property  
6 subject to the levy minus the learning community levies pursuant to  
7 subdivisions (2)(b) and (2)(g) of this section for such learning  
8 community.

9 (d) Excluded from the limitations in subdivisions (2)(a) and (2)(c)  
10 of this section are amounts levied to pay for sums agreed to be paid by a  
11 school district to certificated employees in exchange for a voluntary  
12 termination of employment and amounts levied to pay for special building  
13 funds and sinking funds established for projects commenced prior to April  
14 1, 1996, for construction, expansion, or alteration of school district  
15 buildings. For purposes of this subsection, commenced means any action  
16 taken by the school board on the record which commits the board to expend  
17 district funds in planning, constructing, or carrying out the project.

18 (e) Federal aid school districts may exceed the maximum levy  
19 prescribed by subdivision (2)(a) or (2)(c) of this section only to the  
20 extent necessary to qualify to receive federal aid pursuant to Title VIII  
21 of Public Law 103-382, as such title existed on September 1, 2001. For  
22 purposes of this subdivision, federal aid school district means any  
23 school district which receives ten percent or more of the revenue for its  
24 general fund budget from federal government sources pursuant to Title  
25 VIII of Public Law 103-382, as such title existed on September 1, 2001.

26 (f) For school fiscal year 2002-03 through school fiscal year  
27 2007-08, school districts and multiple-district school systems may, upon  
28 a three-fourths majority vote of the school board of the school district,  
29 the board of the unified system, or the school board of the high school  
30 district of the multiple-district school system that is not a unified  
31 system, exceed the maximum levy prescribed by subdivision (2)(a) of this

1 section in an amount equal to the net difference between the amount of  
2 state aid that would have been provided under the Tax Equity and  
3 Educational Opportunities Support Act without the temporary aid  
4 adjustment factor as defined in section 79-1003 for the ensuing school  
5 fiscal year for the school district or multiple-district school system  
6 and the amount provided with the temporary aid adjustment factor. The  
7 State Department of Education shall certify to the school districts and  
8 multiple-district school systems the amount by which the maximum levy may  
9 be exceeded for the next school fiscal year pursuant to this subdivision  
10 (f) of this subsection on or before February 15 for school fiscal years  
11 2004-05 through 2007-08.

12 (g) For each fiscal year, learning communities may levy a maximum  
13 levy of two cents on each one hundred dollars of taxable property subject  
14 to the levy for special building funds for member school districts. The  
15 proceeds from the levy pursuant to this subdivision shall be distributed  
16 pursuant to section 79-1073.01.

17 (h) For each fiscal year, learning communities may levy a maximum  
18 levy of one-half cent on each one hundred dollars of taxable property  
19 subject to the levy for elementary learning center facility leases, for  
20 remodeling of leased elementary learning center facilities, and for up to  
21 fifty percent of the estimated cost for focus school or program capital  
22 projects approved by the learning community coordinating council pursuant  
23 to section 79-2111.

24 (i) For each fiscal year, learning communities may levy a maximum  
25 levy of one and one-half cents on each one hundred dollars of taxable  
26 property subject to the levy for early childhood education programs for  
27 children in poverty, for elementary learning center employees, for  
28 contracts with other entities or individuals who are not employees of the  
29 learning community for elementary learning center programs and services,  
30 and for pilot projects, except that no more than ten percent of such levy  
31 may be used for elementary learning center employees.

1           (3)(a) For fiscal years 2011-12 and 2012-13, community college areas  
2 may levy a maximum of ten and one-quarter cents per one hundred dollars  
3 of taxable valuation of property subject to the levy for operating  
4 expenditures and may also levy the additional levies provided in  
5 subdivisions (1)(b) and (c) of section 85-1517.

6           (b) For fiscal year 2013-14 and each fiscal year thereafter,  
7 community college areas may levy the levies provided in subdivisions (2)  
8 (a) through (c) of section 85-1517, in accordance with the provisions of  
9 such subdivisions. A community college area may exceed the levy provided  
10 in subdivision (2)(b) of section 85-1517 by the amount necessary to  
11 retire general obligation bonds assumed by the community college area or  
12 issued pursuant to section 85-1515 according to the terms of such bonds  
13 or for any obligation pursuant to section 85-1535 entered into prior to  
14 January 1, 1997.

15           (4)(a) Natural resources districts may levy a maximum levy of four  
16 and one-half cents per one hundred dollars of taxable valuation of  
17 property subject to the levy.

18           (b) Natural resources districts shall also have the power and  
19 authority to levy a tax equal to the dollar amount by which their  
20 restricted funds budgeted to administer and implement ground water  
21 management activities and integrated management activities under the  
22 Nebraska Ground Water Management and Protection Act exceed their  
23 restricted funds budgeted to administer and implement ground water  
24 management activities and integrated management activities for FY2003-04,  
25 not to exceed one cent on each one hundred dollars of taxable valuation  
26 annually on all of the taxable property within the district.

27           (c) In addition, natural resources districts located in a river  
28 basin, subbasin, or reach that has been determined to be fully  
29 appropriated pursuant to section 46-714 or designated as overappropriated  
30 pursuant to section 46-713 by the Department of Natural Resources shall  
31 also have the power and authority to levy a tax equal to the dollar

1 amount by which their restricted funds budgeted to administer and  
2 implement ground water management activities and integrated management  
3 activities under the Nebraska Ground Water Management and Protection Act  
4 exceed their restricted funds budgeted to administer and implement ground  
5 water management activities and integrated management activities for  
6 FY2005-06, not to exceed three cents on each one hundred dollars of  
7 taxable valuation on all of the taxable property within the district for  
8 fiscal year 2006-07 and each fiscal year thereafter through fiscal year  
9 2017-18.

10 (5) Any educational service unit authorized to levy a property tax  
11 pursuant to section 79-1225 may levy a maximum levy of one and one-half  
12 cents per one hundred dollars of taxable valuation of property subject to  
13 the levy.

14 (6)(a) Incorporated cities and villages which are not within the  
15 boundaries of a municipal county may levy a maximum levy of forty-five  
16 cents per one hundred dollars of taxable valuation of property subject to  
17 the levy plus an additional five cents per one hundred dollars of taxable  
18 valuation to provide financing for the municipality's share of revenue  
19 required under an agreement or agreements executed pursuant to the  
20 Interlocal Cooperation Act or the Joint Public Agency Act. The maximum  
21 levy shall include amounts levied to pay for sums to support a library  
22 pursuant to section 51-201, museum pursuant to section 51-501, visiting  
23 community nurse, home health nurse, or home health agency pursuant to  
24 section 71-1637, or statue, memorial, or monument pursuant to section  
25 80-202.

26 (b) Incorporated cities and villages which are within the boundaries  
27 of a municipal county may levy a maximum levy of ninety cents per one  
28 hundred dollars of taxable valuation of property subject to the levy. The  
29 maximum levy shall include amounts paid to a municipal county for county  
30 services, amounts levied to pay for sums to support a library pursuant to  
31 section 51-201, a museum pursuant to section 51-501, a visiting community

1 nurse, home health nurse, or home health agency pursuant to section  
2 71-1637, or a statue, memorial, or monument pursuant to section 80-202.

3 (7) Sanitary and improvement districts which have been in existence  
4 for more than five years may levy a maximum levy of forty cents per one  
5 hundred dollars of taxable valuation of property subject to the levy, and  
6 sanitary and improvement districts which have been in existence for five  
7 years or less shall not have a maximum levy. Unconsolidated sanitary and  
8 improvement districts which have been in existence for more than five  
9 years and are located in a municipal county may levy a maximum of eighty-  
10 five cents per hundred dollars of taxable valuation of property subject  
11 to the levy.

12 (8) Counties may levy or authorize a maximum levy of fifty cents per  
13 one hundred dollars of taxable valuation of property subject to the levy,  
14 except that five cents per one hundred dollars of taxable valuation of  
15 property subject to the levy may only be levied to provide financing for  
16 the county's share of revenue required under an agreement or agreements  
17 executed pursuant to the Interlocal Cooperation Act or the Joint Public  
18 Agency Act. The maximum levy shall include amounts levied to pay for sums  
19 to support a library pursuant to section 51-201 or museum pursuant to  
20 section 51-501. The county may allocate up to fifteen cents of its  
21 authority to other political subdivisions subject to allocation of  
22 property tax authority under subsection (1) of section 77-3443 and not  
23 specifically covered in this section to levy taxes as authorized by law  
24 which do not collectively exceed fifteen cents per one hundred dollars of  
25 taxable valuation on any parcel or item of taxable property. The county  
26 may allocate to one or more other political subdivisions subject to  
27 allocation of property tax authority by the county under subsection (1)  
28 of section 77-3443 some or all of the county's five cents per one hundred  
29 dollars of valuation authorized for support of an agreement or agreements  
30 to be levied by the political subdivision for the purpose of supporting  
31 that political subdivision's share of revenue required under an agreement

1 or agreements executed pursuant to the Interlocal Cooperation Act or the  
2 Joint Public Agency Act. If an allocation by a county would cause another  
3 county to exceed its levy authority under this section, the second county  
4 may exceed the levy authority in order to levy the amount allocated.  
5 ~~Property tax levies for costs of reassumption of the assessment function~~  
6 ~~pursuant to section 77-1340 or 77-1340.04 are not included in the levy~~  
7 ~~limits established in this subsection for fiscal years 2010-11 through~~  
8 ~~2013-14.~~

9 (9) Municipal counties may levy or authorize a maximum levy of one  
10 dollar per one hundred dollars of taxable valuation of property subject  
11 to the levy. The municipal county may allocate levy authority to any  
12 political subdivision or entity subject to allocation under section  
13 77-3443.

14 (10) Property tax levies (a) for judgments, except judgments or  
15 orders from the Commission of Industrial Relations, obtained against a  
16 political subdivision which require or obligate a political subdivision  
17 to pay such judgment, to the extent such judgment is not paid by  
18 liability insurance coverage of a political subdivision, (b) for  
19 preexisting lease-purchase contracts approved prior to July 1, 1998, (c)  
20 for bonds as defined in section 10-134 approved according to law and  
21 secured by a levy on property except as provided in section 44-4317 for  
22 bonded indebtedness issued by educational service units and school  
23 districts, and (d) for payments by a public airport to retire interest-  
24 free loans from the Department of Aeronautics in lieu of bonded  
25 indebtedness at a lower cost to the public airport are not included in  
26 the levy limits established by this section.

27 (11) The limitations on tax levies provided in this section are to  
28 include all other general or special levies provided by law.  
29 Notwithstanding other provisions of law, the only exceptions to the  
30 limits in this section are those provided by or authorized by sections  
31 77-3442 to 77-3444.



1 (12) Tax levies in excess of the limitations in this section shall  
2 be considered unauthorized levies under section 77-1606 unless approved  
3 under section 77-3444.

4 (13) For purposes of sections 77-3442 to 77-3444, political  
5 subdivision means a political subdivision of this state and a county  
6 agricultural society.

7 (14) For school districts that file a binding resolution on or  
8 before May 9, 2008, with the county assessors, county clerks, and county  
9 treasurers for all counties in which the school district has territory  
10 pursuant to subsection (7) of section 79-458, if the combined levies,  
11 except levies for bonded indebtedness approved by the voters of the  
12 school district and levies for the refinancing of such bonded  
13 indebtedness, are in excess of the greater of (a) one dollar and twenty  
14 cents per one hundred dollars of taxable valuation of property subject to  
15 the levy or (b) the maximum levy authorized by a vote pursuant to section  
16 77-3444, all school district levies, except levies for bonded  
17 indebtedness approved by the voters of the school district and levies for  
18 the refinancing of such bonded indebtedness, shall be considered  
19 unauthorized levies under section 77-1606.

20 Sec. 15. Sections 1, 2, 3, 6, 9, 14, 19, and 20 of this act become  
21 operative three calendar months after the adjournment of this legislative  
22 session. Sections 5 and 18 of this act become operative on July 1, 2015.  
23 Sections 8 and 16 of this act become operative on January 1, 2015. The  
24 other sections of this act become operative on their effective date.

25 Sec. 16. Original section 77-1248, Reissue Revised Statutes of  
26 Nebraska, is repealed.

27 Sec. 17. Original section 77-376, Reissue Revised Statutes of  
28 Nebraska, and sections 69-2708, 77-2604, 77-2604.01, 77-27,235, and  
29 77-2904, Revised Statutes Cumulative Supplement, 2014, are repealed.

30 Sec. 18. Original section 70-1903, Revised Statutes Cumulative  
31 Supplement, 2014, is repealed.

1           Sec. 19.   Original sections 13-519, 13-520, and 77-115, Reissue  
2 Revised Statutes of Nebraska, and sections 23-2306, 77-1342, and 77-3442,  
3 Revised Statutes Cumulative Supplement, 2014, are repealed.

4           Sec. 20.   The following sections are outright repealed: Sections  
5 77-1340.05 and 77-1340.06, Reissue Revised Statutes of Nebraska, and  
6 section 77-1340.04, Revised Statutes Cumulative Supplement, 2014.

7           Sec. 21.   Since an emergency exists, this act takes effect when  
8 passed and approved according to law.