

**ONE HUNDRED SIXTH LEGISLATURE - FIRST SESSION - 2019**  
**COMMITTEE STATEMENT**  
**LB472**

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**Hearing Date:** Wednesday March 13, 2019  
**Committee On:** Revenue  
**Introducer:** Dorn  
**One Liner:** Adopt the Qualified Judgment Payment Act and authorize a sales and use tax

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

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**Vote Results:**

<b>Aye:</b>	7	Senators Briese, Friesen, Groene, Kolterman, Lindstrom, Linehan, McCollister
<b>Nay:</b>		
<b>Absent:</b>		
<b>Present Not Voting:</b>	1	Senator Crawford

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**Oral Testimony:**

**Proponents:**

Senator Myron Dorn  
Erich Tiemann  
Jon Cannon  
John Hill  
Art Nietfeld

**Representing:**

Introducer  
Board of Supervisors of Gage County  
NACO  
Self  
Self

**Opponents:**

Gary Barnard  
Marty Bilek  
Lynn Rex  
Roy Lauby  
Gregory Lauby

**Representing:**

Self  
City of Omaha  
League of Nebraska Municipalities, City of Central City  
Self  
Self

**Neutral:**

John Hansen  
Gayland Regier

**Representing:**

Nebraska Farmers Union  
Self

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**Summary of purpose and/or changes:**

LB472 proposes to create the Qualified Judgment Payment Act (Act). A qualified judgment is defined as a judgment rendered against a county by a federal court for a violation of federal law.

Upon the adoption of resolution by at least 67% of the county board, the county may impose a sales tax of .5% on qualified sales to pay a qualified judgment. The county shall furnish a certified copy of the resolution imposing the tax to the Tax Commissioner. The sales tax receipts shall be used to pay the qualified judgment. The tax shall begin on the first day of the first calendar quarter which begins at least 60 days after receipt by the Tax Commissioner of the certified copy of the resolution. A county shall not impose a sales tax pursuant to the Qualified Judgment Payment Act if the county is imposing a tax to finance public safety services or funds under an agreement pursuant to the Interlocal Cooperative Act or Joint Public Agency Act.

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The sales tax shall terminate on the first day of the first calendar quarter which begins after the qualified judgment has been paid in full. The county shall notify the Tax Commissioner of the anticipated termination date at least 120 in advance.

The Tax Commissioner shall administer all sales tax imposed pursuant to this Act. The Tax Commissioner shall collect the sales tax concurrently with collection of the state sales tax in the same manner as the state tax is collected. The Tax Commissioner may prescribe forms and adopt and promulgate rules and regulations. The Tax Commissioner shall provide at least 30 days' notice of the adoption of the tax to retailers within the county. Such notice may be provided through the web site of the Department of Revenue or by other electronic means.

The Tax Commissioner shall remit monthly the proceeds of the tax to the county after deducting the amount of refunds made and retaining 3% of the remainder as an administrative fee. All receipts from the 3% administrative fee shall be deposited in the General Fund.

Upon any claim of illegal assessment and collection of any sales and use tax imposed pursuant to this Act, the taxpayer has the same remedies provided for claims of illegal assessment and collection of the state sales and use tax.

Beginning January 1, 2021, the sale of any motor vehicle or trailer operated by a public power district shall be sourced to the place where the motor vehicle or trailer has situs.

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Lou Ann Linehan, Chairperson