

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 279

Introduced by Bostelman, 23; Brewer, 43; Gragert, 40.

Read first time January 15, 2019

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-2704.10, Reissue Revised Statutes of Nebraska; to exempt food
- 3 sold by veterans service organizations from sales and use tax as
- 4 prescribed; to provide an operative date; and to repeal the original
- 5 section.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2704.10, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 77-2704.10 Sales and use taxes shall not be imposed on the gross
4 receipts from the sale, lease, or rental of and the storage, use, or
5 other consumption in this state of:

6 (1) Prepared food and food and food ingredients served by public or
7 private schools, school districts, student organizations, or parent-
8 teacher associations pursuant to an agreement with the proper school
9 authorities, in an elementary or secondary school or at any institution
10 of higher education, public or private, during the regular school day or
11 at an approved function of any such school or institution. This exemption
12 does not apply to sales by an institution of higher education at any
13 facility or function which is open to the general public;

14 (2) Prepared food and food and food ingredients sold by a church at
15 a function of such church;

16 (3) Prepared food and food and food ingredients served to patients
17 and inmates of hospitals and other institutions licensed by the state for
18 the care of human beings;

19 (4) Fees and admissions charged for political events by ballot
20 question committees, candidate committees, independent committees, and
21 political party committees as defined in the Nebraska Political
22 Accountability and Disclosure Act;

23 (5) Prepared food and food and food ingredients sold to the elderly,
24 handicapped, or recipients of Supplemental Security Income by an
25 organization that actually accepts electronic benefits transfer under
26 regulations issued by the United States Department of Agriculture
27 although it is not necessary for the purchaser to use electronic benefits
28 transfer to pay for the prepared food and food and food ingredients;

29 (6) Prepared food and food and food ingredients sold by a veterans
30 service organization that is congressionally chartered, has active
31 chapters in Nebraska, and is exempt from federal income tax under section

1 501(c)(19) of the Internal Revenue Code of 1986, as amended;

2 (7) ~~(6)~~ Fees and admissions charged by a public or private
3 elementary or secondary school and fees and admissions charged by a
4 school district, student organization, or parent-teacher association,
5 pursuant to an agreement with the proper school authorities, in a public
6 or private elementary or secondary school during the regular school day
7 or at an approved function of any such school;

8 (8) ~~(7)~~ Fees and admissions charged for participants in any activity
9 provided by a nonprofit organization that is exempt from income tax under
10 section 501(c)(3) of the Internal Revenue Code of 1986, as amended, which
11 organization conducts statewide sport events with multiple sports for
12 both adults and youth; and

13 (9) ~~(8)~~ Fees and admissions charged for participants in any activity
14 provided by a nonprofit organization that is exempt from income tax under
15 section 501(c)(3) of the Internal Revenue Code of 1986, as amended, which
16 organization is affiliated with a national organization, primarily
17 dedicated to youth development and healthy living, and offers sports
18 instruction and sports leagues or sports events in multiple sports.

19 Sec. 2. This act becomes operative on October 1, 2019.

20 Sec. 3. Original section 77-2704.10, Reissue Revised Statutes of
21 Nebraska, is repealed.