

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SIXTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 290**

Introduced by Linehan, 39.

Read first time January 15, 2019

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, 2020, 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, 2020, 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, 2020.

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30 Statutes of Nebraska, are repealed.