

LEGISLATIVE BILL 394

Approved by the Governor February 14, 1978

Introduced by Lamb, 43

AN ACT to amend section 77-27,142, Reissue Revised Statutes of Nebraska, 1943, relating to the Local Option Revenue Act; to provide that a sales and use tax shall not be imposed by an incorporated municipality until an election has been held on such question; to provide for initiative; to repeal the original section; and to declare an emergency.

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

Section 1. That section 77-27,142, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-27,142. Any incorporated municipality by ordinance of its governing body is hereby authorized to impose a sales and use tax of one half or one per cent upon the same transactions within such incorporated municipality on which the State of Nebraska is authorized to impose a tax pursuant to the provisions of the Nebraska Revenue Act of 1967, as amended from time to time. After the effective date of this act, no sales and use tax shall be imposed pursuant to this section until an election has been held and a majority of the qualified electors have approved such tax pursuant to sections 2 and 3 of this act.

Sec. 2. The governing body of any incorporated municipality which, after January 1, 1978 and prior to the effective date of this act, authorizes a sales and use tax pursuant to section 77-27,142, shall submit the question of continuing such tax at the first regular city, county, or state election held within such incorporated municipality after such tax is imposed. If a majority of those voting on the question shall be opposed to such tax, the governing body of the incorporated municipality shall immediately discontinue the tax.

Sec. 3. After the effective date of this act, the power granted by the provisions of section 77-27,142 shall not be exercised unless and until the question has been submitted at a regular city, county, or state election held within the incorporated municipality, and in which all qualified electors shall be entitled to vote on such question. The officials of the incorporated

municipality may order the submission of such question, which shall be submitted in the following language: Shall the governing body of the incorporated municipality impose a sales and use tax upon the same transactions within such municipality on which the State of Nebraska is authorized to impose a tax? If a majority of the votes cast upon such question shall be in favor of such tax, then the governing body of such incorporated municipality shall be empowered as provided by section 77-27,142, and shall forthwith proceed to impose a tax pursuant to the Local Option Revenue Act. If a majority of those voting on the question shall be opposed to such tax, then the governing body of the incorporated municipality shall not impose such a tax.

Sec. 4. Whenever, at least forty-five days prior to any city, county, or state election, the qualified electors of any municipality, equal in number to ten per cent of the votes cast at the last preceding municipal election, shall petition the governing body to submit such question, it shall be the duty of the governing body to submit the question at the next city, county, or state election. The question of imposing a sales and use tax shall not be submitted to the electors of an incorporated municipality more often than once every two years.

Sec. 5. The governing body shall give notice of the submission of the question of imposing the sales and use tax upon the same transactions within such municipality on which the State of Nebraska is authorized to impose a tax, not more than thirty days nor less than ten days previous to the election, by publication one time in one or more newspapers published in or of general circulation in the municipality in which such question is to be submitted. Such notice shall be in addition to any other notice required under the general election laws of this state.

Sec. 6. Any incorporated municipality which had, prior to January 1, 1978, authorized a sales and use tax pursuant to section 77-27,142 may continue the tax without submitting the question of continuing such tax to a vote of the qualified electors.

Sec. 7. That original section 77-27,142, Reissue Revised Statutes of Nebraska, 1943, is repealed.

Sec. 8. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.