



Local Sales and Use Tax Information

League of Municipalities Midwinter Conference
February 25, 2014

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Agenda

- Department's Website - revenue.nebraska.gov
- "Local Government Information" Page
- GovDelivery Subscription Service 
- Local Sales Taxes - Starting, Stopping, or Changing
- Municipal Boundary Changes
- Occupation Taxes
- Form 13CCE, Exemption Permit Application
- Municipal Review of Sales Tax Returns (LB 209)
- Tax Incentive Programs
 - Annual Report
 - Timing of Refunds
 - Applications
 - Tax Incentive FAQs

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Nebraska Department of **REVENUE**

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File Your Return

Where's My Refund?

For Businesses

Make a Payment

File Your Return

Software Developers

Tax Preparers

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New Spring 2014 Seminars

New Fiduciary Income Tax AMT Revenue Rulings

New Individual Income Tax AMT Revenue Rulings

Free Individual Income Tax Preparation Sites [Lincoln] [Omaha] [Other]

Revenue Ruling 22-13-1, Tax Guidance for Individuals in a Same-Sex Marriage [pdf] [html]

Tax Information for Victims of September Colorado Storms (10/8/2013)

Request a Payment Plan

Report Nebraska Tax Fraud

Specific Tax Info

Business Income Tax

Cigarettes/Other Tobacco Products

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Individual Use Tax

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Sales and Use Tax

Income Tax Withholding

Items of Interest

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How to Start or Close Your Business

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Major Legislative Changes

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Local Government Information

 The Department has created a GovDelivery subscription category called "Local Government Information." Follow the subscription icon to the left to learn more about this FREE subscription service as well as sign up for automatic emails when the Department updates the "Local Government Information" category.

Local Sales Tax

Municipal Boundary Changes

Occupation Taxes

Research/Statistical Reports

Tax Incentives Programs

Turnback

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Sample GovDelivery Bulletin



Nebraska Department of Revenue

Due to the enactment of LB 104 (2013), the Nebraska Department of Revenue is proposing an amendment to the proposed regulations dealing with Local Sales and Use Tax. These regulations have been set for public hearing on August 22, 2013, at 1:30 p.m. CDT.

Title 316

- [Chapter 9, Local Sales and Use Tax - Proposed Amendment](#)

You can view the rest of the Department's proposed regulations [on our website](#).

Nebraska Department of REVENUE Questions? [Contact Us](#)

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Local Sales Tax

See [Chapter 9, Local Sales and Use Tax Regulations](#), on our website.

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Local Sales Tax

- Local sales tax rates - 0.5%, 1.0%, 1.5%, 1.75%, and 2.0%
- A municipality, other than Omaha, may impose a sales tax of **1.75% or 2.0%** if the rate increase is approved by at least 70% of the municipality's governing board and by a vote of the citizens residing in the municipality.
 - 2.0% rate adopted by Alma, Sidney, and Waterloo.
- A percentage of the revenues raised in excess of 1.5% must be used for public infrastructure projects, interlocal agreements, or to reduce other taxes.

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Local Sales Tax (continued)

- A local sales and use tax can only start, stop, or change on the first day of a calendar quarter, January 1, April 1, July 1, or October 1 per Neb. Rev. Stat. § 77-27,143.
- The effective date of the tax will be the first day of the next calendar quarter that is at least 120 days after the Department receives the required documents to impose, increase, or repeal a local sales tax.

To Be Operative	Certified Materials Must Be Furnished After	But No Later Than
January 1	June 3	September 3
April 1	September 3	December 2
April 1 (of a leap year)	September 3	December 3
July 1	December 2	March 3
July 1 (of a leap year)	December 3	March 3
October 1	March 3	June 3

- The Department must provide at least 60 days' notice of the change in tax to retailers before it becomes effective.

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Local Sales Tax (continued)

The Department requires the following documents to approve any sales tax change:

- a certified copy of the **ordinance** approving the sales tax change;
- a certified **map** of the municipality;
- a certified copy of the **election results** from the county election commissioner; and
- a certified **statement** from the county election commissioner that the question of imposing a local sales tax **has not failed** in the previous 23 months.

Department Contact – karen.barrett@nebraska.gov

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Municipal Boundary Changes

- A municipality must notify the Department by certified or registered mail of any change in its boundaries. The notice must include a certified copy of the ordinance making the changes.
 - The ordinance must be accompanied by a **certified map** of the municipality clearly showing the territory added or detached.
 - Include a **list of all retailers (including the location and mailing address)** that are within the annexed or detached territory.

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Occupation Taxes

- An occupation tax is a “privilege or license tax” on an occupation or business within a city’s **boundaries**. The most common types of businesses affected are hotel operators, car rental companies, telecommunications providers, restaurants, and bars.
- A retailer selling items or services subject to sales tax must include a separately-stated occupation tax in the sales price **before** calculating state and local sales tax.
- A business **cannot** combine the occupation tax rate with the sales or lodging tax rate and charge its customers one flat rate.

Form 13CCE

Nebraska Department of REVENUE		Exemption Permit Application For Use of Credit or Debit Cards by Sales Tax Exempt Entities		FORM 13CCE
Nebraska ID Number (if applicable)				
NAME AND LOCATION ADDRESS Name Legal Name Street Address City State Zip Code			NAME AND MAILING ADDRESS Name Street or Other Mailing Address City State Zip Code	
CREDIT OR DEBIT CARD INFORMATION 1 Name and address of bank issuing the credit or debit card. 2 Provide only the last four digits and expiration date of the card. (A separate application is required for each credit or debit card.) Last four digits of the card: _____ Expiration date of the card: _____				
DOCUMENTATION REQUIRED 3 Attach all of the following: • Copy of the billing statement containing purchases made by this cardholder. Note: Redact/blackout all but the last four digits of every credit or debit card number shown on each billing statement submitted with this application. • Copy of the front side only of the credit or debit card; and Note: Redact/blackout all but the last four digits of every credit or debit card number shown on each billing statement submitted with this application. Do not submit a copy of the back of the credit or debit card. • Copy of a payment made to the issuing bank.				
ADDITIONAL BILLING INFORMATION 4 Will any person other than the sales tax exempt governmental entity or sales tax exempt organization be billed by the issuer of the card for any purchases made using the credit or debit cards identified on this application? <input type="checkbox"/> YES <input type="checkbox"/> NO If Yes, please explain _____				

Form 13

Nebraska Department of REVENUE		Nebraska Resale or Exempt Sale Certificate for Sales Tax Exemption		FORM 13
• Read instructions on reverse side/see note below				
NAME AND MAILING ADDRESS OF PURCHASER Name Street or Other Mailing Address City State Zip Code			NAME AND MAILING ADDRESS OF SELLER Name Street or Other Mailing Address City State Zip Code	
Check Type of Certificate <input type="checkbox"/> Single Purchase <input type="checkbox"/> Blanket If blanket is checked, this certificate is valid until revoked in writing by the purchaser.				
I hereby certify that the purchase, lease, or rental by the above purchaser is exempt from the Nebraska sales tax for the following reason: Check One <input type="checkbox"/> Purchase for Resale (Complete Section A) <input type="checkbox"/> Exempt Purchase (Complete Section B) <input type="checkbox"/> Contractor (Complete Section C)				
SECTION A—Nebraska Resale Certificate Description of Item or Service Purchased I hereby certify that the purchase, lease, or rental of from the above seller is exempt from the Nebraska sales tax as a purchase for resale, rental, or lease in the normal course of our business, either in the form or condition in which purchased, or as an ingredient or component part of other property to be resold. I further certify that we are engaged in business as a: <input type="checkbox"/> Wholesaler <input type="checkbox"/> Retailer <input type="checkbox"/> Manufacturer <input type="checkbox"/> Lessor of Description of Product Sold, Leased, or Rented: _____ If None, State Reason _____ and hold Nebraska Sales Tax Permit Number 01- _____ State _____ or Foreign State Sales Tax Number _____ State _____				
SECTION B—Nebraska Exempt Sale Certificate The basis for this exemption is exemption category ① (insert appropriate category as described on reverse of this form.) If exemption category 2 or 5 is claimed, enter the following information: Description of Item(s) Purchased _____ Intended Use of Item(s) Purchased _____ If exemption categories 3 or 4 are claimed, enter the Nebraska Exemption Certificate number. 05- _____ If exemption category 6 is claimed, seller must enter the following information and sign this form below: Description of Item(s) Sold _____ Date of Seller's Original Purchase _____ Was Tax Paid when Purchased by Seller? <input type="checkbox"/> YES <input type="checkbox"/> NO _____ Was Item Depreciable? <input type="checkbox"/> YES <input type="checkbox"/> NO _____				

Exemption Permit

Nebraska Department of REVENUE		Exemption Permit For Use of Credit or Debit Cards	
Name and Location Address Name Street Address City State Zip Code			Name and Mailing Address Name Street or Other Mailing Address City State Zip Code
Credit or Debit Card Identification Issuing Bank _____ Type of Credit or Debit Card _____ Last Four Digits of the Credit or Debit Card _____ Effective Date of Exemption Permit _____ Expiration Date of the Exemption Permit (expiration date of the credit or debit card) _____			
Department of Revenue with documentation that the credit or debit card identified above is directly billed to, and paid by, the sales tax exempt governmental entity or sales tax exempt organization. To make sales and lodging tax exempt purchases using this credit or debit card, the exempt governmental entity or exempt organization must: • Complete a Nebraska Resale or Exempt Sale Certificate, Form 13, section B; • Attach a copy of this Exemption Permit to the Form 13; and • Issue both documents to the seller at the time of purchase.			
			_____ Kim Courty Tax Commissioner Date _____

Municipal Review of Sales Tax Returns (LB 209)

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Review of Sales Tax Returns

Neb. Rev. Stat. § 77-2711(14) allows a municipality to designate a single employee of the municipality to inspect sales tax return and return information of taxpayers that possess a sales tax permit and remit sales taxes for locations within the boundaries of the requesting municipality.

- Designation/Revocation Certification
- Confidential Tax Information Agreement
- Memorandum of Understanding Municipal Government Request for Sales Tax Return Information and Inspection
- Municipal Government Request for Tax Return Information, Form 8796-AL

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Designation/Revocation Certification

- A municipality may designate a single employee to inspect confidential sales tax return information.
- The designation must be signed by the mayor of the municipal government.
- The same process applies for the revocation of an employee's certification.

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Confidential Tax Information Agreement

- The designated municipal employee must sign a Confidential Tax Information Agreement before submitting a request to inspect confidential sales tax returns and sales tax return information.
- The employee may NOT duplicate or copy any requested documents or records or remove any requested tax return or tax return information.

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Memorandum of Understanding

- A municipality must execute a Memorandum of Understanding prior to inspecting records.
- The MOU sets forth the conditions of a municipality's right to inspect confidential sales tax returns and return information and the Department's responsibilities in providing this information.

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Form 8796-AL

- A designated municipal employee must file Form 8796-AL before inspecting confidential sales tax return information.
- An employee may only review the returns and return information related to taxpayers that:
 - possess a sales tax permit; and
 - remit sales taxes at locations within the boundaries of the requesting municipality.

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Other Information Requests

- A municipality can also request a list of all businesses, regardless of location, that are remitting sales tax to their municipality.
- A municipality must file a Form 8796-AL.

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Tax Incentive Programs

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Tax Incentive Programs

Available Information

- 2012 Annual Report of Nebraska Tax Incentives
 - Signed Agreements
 - Project-specific Benefits
- List of Applications (updated quarterly)
- Timing of Refunds
 - Delayed Direct Refunds
 - Delayed Nebraska Advantage Refunds
- Frequently Asked Questions

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Tax Incentive Direct Refunds

- The State will not deduct a refund of local sales tax under the Nebraska Advantage Act (LB 312) or Employment and Investment Growth Act (LB 775) from the local sales tax receipts of a **village or first or second class city** for at least one year after that refund is paid by the State.
- If a refund exceeds **25%** of a municipality's total sales and use tax receipts for the prior fiscal year, the refund will be deducted in 12 equal installments commencing one year after the refund is paid to the taxpayer.

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Tax Incentive Refunds

Nebraska Advantage

- If a claim for a refund of sales and use taxes exceeds \$25,000, the refund will be issued on or after November 15 of the same year or the following year depending on when the refund is filed by the taxpayer.
- The Department will notify the affected municipality of the amount to be refunded by July 1 of the fiscal year before the claims will be issued to the taxpayer.

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