
Did you purchase items over the Internet or by mail order?

If you did, you may owe consumer's use tax. Nebraska law requires that if sales tax is not collected by the seller on any taxable sale, the purchaser must remit the tax directly to the state. When remitted by the purchaser, the tax is called consumer's use tax. The same items and services that are subject to Nebraska and local sales tax are subject to Nebraska and local consumer's use tax. If the item purchased is delivered to a Nebraska address, it is subject to sales or consumer's use tax, including any shipping, handling, and delivery charges.

Situations when use tax is due:

- ◆ If you buy taxable items over the Internet and do not pay Nebraska sales tax;
- ◆ If you buy taxable digital goods such as music, movies, music videos, TV shows, books, and ring tones and do not pay Nebraska sales tax;
- ◆ If you buy taxable items through a home shopping channel and do not pay Nebraska sales tax; and
- ◆ If you buy taxable items by mail order and do not pay Nebraska sales tax.

The consumer's use tax rate is exactly the same as the state and local sales tax rate where you reside in Nebraska. State and local consumer's use tax must be reported and paid using the [Nebraska and Local Individual Consumer's Use Tax Return, Form 3](#). This form may be found at www.revenue.ne.gov. The Nebraska **state** sales and consumer's use tax rate is 5.5%. A complete list of [local rates](#) can also be found on our Web site.

EXAMPLES:

I purchase a computer from a seller in South Dakota over the Internet for \$1,470 plus \$30 shipping and handling charges. The computer is shipped to me in Omaha, Nebraska and no tax is charged or collected by the seller. My total state (5.5%) and local (1.5%) use tax owed is \$105 ($\$1,500 \times .07 = \105).

I order gifts over the Internet to be delivered to each of my two sisters. One sister's gift is delivered to her home in Scottsbluff, Nebraska. The other sister's gift is delivered to her home in Kansas. The seller does not charge sales tax on either gift. I owe state (5.5%) and local (1.5%) consumer's use tax on the cost of the gift and any delivery charge for the gift sent to Scottsbluff. I do not owe any Nebraska use tax on the gift delivered to Kansas.

Businesses should refer to the [Nebraska Consumer's Use Tax Information Guide](#) for more details on business consumer's use tax.

***For additional information,
see the Nebraska Consumer's Use Tax Information Guide on our Web site.***