FOR IMMEDIATE RELEASE:  FOR INFORMATION CONTACT:
September 1, 2009  Douglas A. Ewald, Tax Commissioner
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CHANGE IN SALES AND USE TAX RATE IN RED CLOUD, NE

LINCOLN — Tax Commissioner Doug Ewald announced today that, effective October 1, 2009, the City of Red Cloud will increase its current local option sales and use tax rate from 1.0% to 1.5%.

The Nebraska Department of Revenue (Department) has provided written notice of changes to retailers in Red Cloud in addition to all other sales tax permitholders. Information listing the cities and the one county with a local sales and use tax is being updated and distributed.

Retailers making taxable sales in a city, or the one county with a local option sales tax, must collect BOTH the state and local sales taxes. Local sales tax receipts are reported to the Department along with state sales tax receipts, and are distributed to the communities where they were collected. If sales tax is not collected on a taxable sale by the retailer at the time of purchase, the buyer is responsible for paying the appropriate consumer’s use tax directly to the Department.

Local sales and use taxes can be set at 0.5%, 1.0%, or 1.5%.

On October 1, 2009:
• Three cities and one county will have a 0.5% sales and use tax rate;
• 111 cities will have a 1.0% sales and use tax rate; and
• 68 cities will have a 1.5% sales and use tax rate.

For detailed information about sales and use tax, including rates, forms, information guides, revenue rulings, frequently asked questions, and a schedule of the Department’s free educational seminars, please visit www.revenue.ne.gov.

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APPROVED:

Douglas A. Ewald
Tax Commissioner

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