

Section S

Public Power and Irrigation Districts' Gross Revenue Tax

BASIC PROVISIONS AND TAX BASE OF THE NEBRASKA TAX LAWS

Every public corporation and political subdivision of the state, organized primarily to provide electricity or irrigation and electricity and which sells electricity at retail within incorporated cities or villages, pays a tax equal to five percent of the gross revenue derived during the preceding calendar year from retail sales of electricity within such incorporated city or village, less an amount equivalent to the amount paid by such public corporation in-lieu-of taxes in the 1957 calendar year with respect to its properties in such city or village. In addition, the public power districts are allowed to deduct the city occupation tax from the gross revenue tax. However, in addition to the gross revenue tax, they pay the fixed in-lieu-of taxes and the city occupation tax to the county treasurers.

PUBLIC POWER AND IRRIGATION DISTRICTS' GROSS REVENUE TAX

Statutory Reference and Description	Actual Tax Expenditure Cost NA = Not Available
DEDUCTIONS	
Section 70-651.03 Public power districts are allowed to deduct from the gross revenue tax remitted to county treasurers an amount equivalent to the amount paid by such public corporation in-lieu-of taxes in the 1957 calendar year with respect to its properties in such county's cities or villages from which it derives its gross revenues.	\$1,062,167*
Section 70-651.05 Public power districts are allowed to deduct from the gross revenue tax remitted to county treasurers the city occupation tax.	\$326,448*

*This may not be considered a true tax expenditure since the public power districts still pay the fixed in-lieu-of taxes and the city occupation taxes in addition to the (net) gross revenue tax (tax amounts per 2005 Certificate of Taxes Levied Reports).

RECOMMENDATIONS

The Department of Property Assessment and Taxation has no recommendations.