

# SECTION A

## Nebraska and Local Option Sales and Use Tax

### Changes Since Prior Reports

Readers of past issues of this report will notice several changes to this section. The most obvious is the grouping of the sales and use tax exemptions into categories. Past reports listed all exemptions in the order they appeared in the statutes and regulations. The 2010 report groups all 73 sales tax exemptions into 11 categories so that the underlying policy of similar exemptions is easier to understand and analyze.

Second, a few exemption references have been eliminated as not being within the overall policy theory of the tax. Generally, sales and use taxes are imposed on retail sales. Eliminated from the 2010 report are references to exemptions for **sales for resale** and sales of **grain** and **livestock**. These exemption references were eliminated from the report because they are not retail sales and are not within any state's sales tax base. Including these large dollar exemptions in past Tax Expenditure Reports has obscured the value of exemptions that could be considered by policy makers.

Sources are listed for most estimates provided in Section A. Generally, sources include Nebraska Department of Revenue sales tax records, data from other State of Nebraska agencies, federal government sources such as the U.S. Census Bureau, and nonprofit organizations and trade groups. Some estimates are based on confidential Department of Revenue data for which a data source is not provided. In some cases, no reliable data exist from which to provide an estimate, which are marked "not available."

## BASIC PROVISIONS AND TAX BASE

### Sales Tax<sup>1</sup>

Nebraska sales tax is imposed upon the gross receipts from:

- all sales, leases, rentals, installation, application, and repair of tangible personal property;
- every person providing or installing utility services;
- retailers of intellectual or entertainment property;
- the sale of admissions, bundled transactions, or specified digital products;
- renting or furnishing accommodations or lodging for periods of less than 30 days; and
- the sale or providing of certain services.

<sup>1</sup>The taxes collected are deposited into two funds: the State General Fund; and the Highway Trust Fund. Deposits to the Highway Trust Fund are made from the sales and use taxes derived from registration of motor vehicles, trailers, and semi-trailers in Nebraska. The balance of taxes collected is deposited into the State General Fund.

The state sales tax rate is 5.5 percent.

Property is defined as all tangible and sales of (taxable) intangible property (including rights, licenses, franchises,) and any services that are subject to tax.

## Use Tax<sup>1</sup>

Use tax is a complement to the sales tax and is imposed upon the storage, use, distribution, or other consumption of all tangible personal property, and taxable sales of intangible property, services, bundled transactions, or specified digital products purchased at retail when the sales tax has not been paid.

## Local Option Sales and Use Tax

Any Nebraska county or incorporated municipality may impose a local sales and use tax upon approval by a majority of their voters in a regular election. The local tax applies to the identical transactions subject to the state sales and use tax, with the exception of direct-to-home satellite programming which is exempt from local, but not state sales taxes under federal law. Local option taxes of 0.5%, 1.0%, and 1.5% may be approved by city or county voters. The tax is collected and remitted to the state and is then remitted to the municipalities and counties after deducting refunds plus a three percent administrative fee. The 3% fee from municipalities is deposited in the Municipal Equalization Fund, the 3% fee from the counties is deposited in the State General Fund.

<sup>1</sup>The taxes collected are deposited into two funds: the State General Fund and the Highway Trust Fund. Deposits to the Highway Trust Fund are made from the sales and use taxes derived from registration of motor vehicles, trailers, and semi-trailers in Nebraska. The balance of taxes collected is deposited into the State General Fund.

# EXEMPTIONS

## Consumer Goods

### 1. Motor Vehicle/Motorboat Trade-ins

**Statutory citation:** 77-2701.35(3)(d)(ii)

**Description:** The value of a motor vehicle or motorboat taken by any person in trade as all or part of the consideration for a sale of another motor vehicle or motorboat.

**Estimate:** \$140,487,000

**Data source:** Nebraska Department of Revenue sales tax records

### 2. Merchandise Trade-ins

**Statutory citation:** 77-2701.35(3)(d)(i)

**Description:** The value of trade-ins taken in connection with a sale of property.

**Estimate:** \$4,304,000

### 3. Certain Medical Equipment and Medicine

**Statutory citation:** 77-2704.09(1)

**Description:** Insulin and prescription medicines, durable medical equipment, home medical supplies, mobility-enhancing equipment, prosthetic and orthotic devices, oxygen, and any oxygen equipment for a patient's use sold under a doctor's prescription.

**Estimate:** \$72,241,000

**Data source:** U.S. Department of Health and Human Services, Center for Medicare Services, Office of the Actuary

**4. Newspapers**

**Statutory citation:** [77-2704.07](#)

**Description:** Newspapers issued at least once a week; newspaper advertising supplements distributed with newspapers.

**Estimate:** \$2,723,000

**Data source:** U.S. Census Bureau, Annual Services Survey

**5. Laundromats**

**Statutory citation:** [77-2704.14](#)

**Description:** The use of coin-operated machines for laundering and cleaning, except the washing of motor vehicles.

**Estimate:** \$503,000

**Data source:** U.S. Census Bureau, 2007 Economic Census

**6. Tele-floral Deliveries**

**Regulation:** [1-052.03](#)

**Description:** Amounts received by Nebraska florists who make deliveries in this state pursuant to instructions received from florists in other states.

**Estimate:** \$152,000

**Data source:** Nebraska Department of Revenue sales tax records

**7. Motor Vehicle Discounts for the Disabled**

**Statutory citation:** [77-2704.21](#)

**Description:** The entire purchase price of a motor vehicle purchased when the maximum amount allowed by law is contributed by the United States Veterans' Administration or the Nebraska Department of Health and Human Services Finance and Support for a disabled person. If the amount contributed is less than the maximum amount, the exemption is based on the portion of the purchase price contributed.

**Estimate:** \$41,300

**8. Political Campaign Fundraisers**

**Statutory citation:** [77-2704.10\(4\)](#)

**Description:** Fees for admissions, meals, or food charged by ballot question committees, candidate committees, independent committees, and political party committees as defined in the Nebraska Political Accountability and Disclosure Act.

**Estimate:** Minimal

## Food

**9. Food for Home Consumption**

**Statutory citation:** [77-2704.24](#)

**Description:** Food or food ingredients for human consumption, except for prepared food and food sold through vending machines. (Estimate excludes Supplemental Nutrition Assistance Program purchases.)

**Estimate:** \$139,373,000

**Data source:** U.S. Department of Labor, Bureau of Labor Statistics, Consumer Expenditure Report

**10. Supplemental Nutrition Assistance Program - SNAP (formerly “food stamps”)**

**Statutory citation:** [77-2704.54](#)

**Description:** Food or food ingredients which are purchased by electronic benefits transfer or with food coupons. (State taxation prohibited.)

**Estimate:** \$7,182,000

**Data source:** U.S. Department of Agriculture, Food and Nutrition Service, Supplemental Nutrition Assistance Program

**11. School Lunches**

**Statutory citation:** [77-2704.10\(1\)](#)

**Description:** Meals and food products, including soft drinks and candy, for human consumption served by public or private schools, school districts, student organizations, or parent-teacher associations pursuant to an agreement with the proper school authorities, in an elementary or secondary school or at any institution of higher education, public or private, during the regular school day, or at an approved function of any such school or institution. However, this exemption does not apply to sales at any facility or function which is open to the general public, except that concession sales by elementary and secondary schools, public or private, are exempt.

**Estimate:** \$3,534,000

**Data source:** Nebraska Department of Education Annual Financial Report

**12. Meals Sold by Hospitals**

**Statutory citation:** [77-2704.10\(3\)](#)

**Description:** Meals and food products, including soft drinks and candy, for human consumption when served to patients and inmates of hospitals and other institutions licensed by Nebraska for care of human beings.

**Estimate:** \$586,000

**Data source:** U.S. Census Bureau Product Lines Data

**13. Meals Sold by Institutions at a Flat Rate**

**Regulation:** [1-083.04](#), [1-083.05](#)

**Description:** Meals furnished at fraternities, sororities, cooperative student societies, and summer camps which charge a single amount to attend.

**Estimate:** \$373,000

**14. Food for Elderly, Handicapped, and Supplemental Security Income Recipients**

**Statutory citation:** [77-2704.10\(5\)](#)

**Description:** Meals and food products sold to the elderly, handicapped, or recipients of Supplemental Security Income by an organization that accepts electronic benefits transfer or food coupons under regulations issued by the United States Department of Agriculture, although it is not necessary for the purchaser to use electronic benefits transfer or food coupons to pay for the meal.

**Estimate:** Minimal

**15. Meals Sold by Churches**

**Statutory citation:** [77-2704.10\(2\)](#)

**Description:** Meals and food products, including soft drinks and candy, for human consumption when sold by a church at a church function.

**Estimate:** Not available

## Telecommunications

### 16. Telecommunications Access Charges

**Statutory citation:** [77-2704.51](#)

**Description:** Gross receipts from the sale, lease, or rental of and the storage, use, or other consumption in Nebraska of telecommunication services between telecommunications companies, including division of revenue, settlements, or access charges.

**Estimate:** \$8,183,000

**Data source:** Federal Communications Commission ARMIS Report 43-01 and 43-08

### 17. Prepaid Calling Arrangements

**Statutory citation:** [77-2704.52](#)

**Description:** Telephone services using a prepaid telephone calling arrangement.

**Estimate:** \$420,000

**Data source:** Federal Communications Commission Form 499A

### 18. Conference Bridging Services

**Statutory citation:** [77-2701.16\(2\)\(a\)\(i\)](#)

**Description:** Sales of conference bridging services associated with the provision of telephone communications services.

**Estimate:** Not available

### 19. Nonvoice Data Services

**Statutory citation:** [77-2701.16\(2\)\(a\)\(i\)](#)

**Description:** Sales of value-added, nonvoice data service associated with the provision of telephone communications services.

**Estimate:** Not available

## Agriculture

### 20. Agricultural Machinery

**Statutory citation:** [77-2704.36](#)

**Description:** Agricultural machinery and equipment for use in commercial agriculture.

**Estimate:** \$82,145,000

**Data source:** U.S. Department of Commerce, Bureau of Economic Analysis, Capital Flows Data

### 21. Agricultural Chemicals

**Statutory citation:** [77-2704.46\(3\)](#)

**Description:** Agricultural chemicals, adjuvants, surfactants, bonding agents, clays, oils, and any other additives or compatibility agents for use in commercial agriculture and applied to land or crops.

**Estimate:** \$73,122,000

**Data source:** U.S. Department of Agriculture, 2007 Agricultural Census

### 22. Seeds Sold to Commercial Producers

**Statutory citation:** [77-2704.46\(2\)](#)

**Description:** Seeds and annual plants, the products of which are food for human consumption, when sold to commercial producers of the products of such seeds and plants. Also includes seed legumes, grasses, and grains for agricultural purposes.

**Estimate:** \$33,081,000

**Data source:** U.S. Department of Agriculture, 2007 Agricultural Census

**23. Water for Irrigation and Manufacturing**

**Statutory citation:** [77-2704.13\(3\)](#)

**Description:** Water used for irrigation of agricultural lands and manufacturing purposes.

**Estimate:** \$1,105,000

**Data source:** U.S. Geological Survey, Total Water Use Report

**24. Commercial Artificial Insemination**

**Statutory citation:** [77-2704.23](#)

**Description:** Semen and insemination services for use in ranching, farming, commercial, or industrial uses.

**Estimate:** \$712,000

**Data source:** National Association of Animal Breeders; U.S. Department of Agriculture, National Agricultural Statistics Service

**25. Mineral Oil as Dust Suppressant**

**Statutory citation:** [77-2704.60](#)

**Description:** Mineral oil to be applied to grain as a dust suppressant.

**Estimate:** \$193,600

**Data source:** [Fiscal note](#)

**26. Animal Grooming**

**Statutory citation:** [77-2701.16\(3\)\(g\)](#)

**Description:** Animal grooming services performed by a licensed veterinarian or licensed veterinary technician in conjunction with the medical treatment of an animal.

**Estimate:** \$47,500

**Data source:** U.S. Census Bureau Product Lines Data

**27. Oxygen For Use in Aquaculture**

**Statutory citation:** [77-2704.46\(4\)](#)

**Estimate:** Not available

See 66. Energy Used in Agriculture in the Energy Section

## Common Carrier/Logistics

**28. Railroad Rolling Stock; Repair Parts and Services**

**Statutory citation:** [77-2704.27](#)

**Description:** The purchase, rental, or lease, whether purchased by a railroad or by another person; repair and replacement parts; associated repair labor charges.

**Estimate:** \$11,527,000 (does not include services)

**Data source:** Association of American Railroads; U.S. Census Capital Expenditure Report

**29. Common or Contract Carriers; Repair Parts and Services**

**Statutory citation:** [77-2704.50](#), [77-2704.30\(1\)](#)

**Description:** The purchase, rental, or lease of motor vehicles, watercraft, or aircraft used as a common or contract carrier; repair and replacement parts; and any associated labor charges.

**Estimate:** Not available

### 30. Common or Contract Carrier Accessories

**Regulation:** [1-069.03C](#)

**Description:** Accessories purchased for use with a common or contract carrier vehicle, watercraft, or aircraft which could have been included in the list price at the time of purchase.

**Estimate:** Not available

### 31. Common or Contract Carrier Safety Equipment

**Regulation:** [1-069.03E](#)

**Description:** Equipment required by a federal or state regulatory agency to be included on a common or contract carrier vehicle, watercraft, or aircraft operating in or through the State of Nebraska for the health or safety of passengers or cargo.

**Estimate:** Not available

## General Business

### 32. Component/Ingredient Parts

**Statutory citation:** [77-2704.45\(1\)](#)

**Description:** Property that becomes an ingredient or component part of property which is manufactured, processed, or fabricated for ultimate sale at retail.

**Estimate:** \$756,011,000

### 33. Manufacturing Machinery

**Statutory citation:** [77-2704.22\(1\)](#), [77-2704.22\(2\)](#)

**Description:** The sale, lease, rental, storage, use, or other consumption in Nebraska by a manufacturer of qualified manufacturing machinery and equipment.

**Estimate:** \$44,974,000

**Data source:** U.S. Department of Commerce, Bureau of Economic Analysis

**Note:** This figure includes installation, repair, and maintenance services performed on qualified manufacturing machinery and equipment.

### 34. Containers

**Statutory citation:** [77-2704.47\(1\)](#)

**Description:** Nonreturnable containers sold to persons who place contents in the container and sell the contents with the container.

**Estimate:** \$16,032,000

**Data source:** U.S. Census Bureau, 2007 Economic Census

**Note:** The figure above includes containers which hold contents that are not subject to sales or use tax ([77-2704.47\[2\]](#)) and returnable containers when sold with the contents or resold for refilling ([77-2704.47\[3\]](#)).

### 35. Film Rentals

**Statutory citation:** [77-2704.53](#)

**Description:** Gross income received from videotape, film rentals, and satellite programming when tax is to be charged on the admission or service.

**Estimate:** \$1,204,000

**Data source:** U.S. Census Bureau Product Lines Data

### 36. Molds and Dies

**Statutory citation:** [77-2704.40](#)

**Description:** Sales of molds, dies, and patterns which are used to manufacture a single product that is either injection-molded from plastic or stamped from metal.

**Estimate:** \$886,000

**Data source:** [Fiscal note](#)

### **37. Syndicated Programming**

**Statutory citation:** [77-2704.39](#)

**Description:** Sales of syndicated programming for rebroadcast by a radio or television station.

**Estimate:** \$855,000

**Data source:** U.S. Census Bureau Product Lines Data

### **38. Inter-company Sales**

**Statutory citation:** [77-2701.24\(1\)](#), [77-2704.48](#)

**Description:** An inter-company sale, but not a lease or rental of property to a parent or vice versa, from one subsidiary to another subsidiary having the same parent, or between brother-sister companies.

**Estimate:** Not available

### **39. Inter-company Leases**

**Statutory citation:** [77-2704.28](#)

**Description:** An inter-company lease from a subsidiary to the parent company or vice versa, from one subsidiary to another subsidiary of the same parent company, or between brother-sister companies if the seller or transferor directly or indirectly has previously paid a sales or use tax on the leased property.

**Estimate:** Not available

### **40. Sale of a Business or Farm Machinery**

**Statutory citation:** [77-2701.24\(3\)](#), [77-2704.48](#)

**Description:** The sale of a business or farm machinery and equipment if each of the conditions in this subsection are met.

**Estimate:** Not available

### **41. Transfer of Property in Change of Business Ownership**

**Statutory citation:** [77-2701.24\(5\)](#), [77-2704.48](#)

**Description:** Sale of property that is made in connection with the sale to a single buyer of all or substantially all of the property of a trade or business if the seller has previously paid a sales or use tax on the property sold.

**Estimate:** Not available

**See 23. Water for Irrigation and Manufacturing in the Agriculture section.**

## **Business Across State Lines**

### **42. Property Shipped Out-of-State**

**Statutory citation:** [77-2704.11](#)

**Description:** Property shipped outside Nebraska pursuant to a sales contract calling for out-of-state delivery by the retailer, or delivery by the retailer to a carrier, to the post office, or to a forwarding agent for its shipment out-of-state, to be installed/used in another state.

**Estimate:** \$3,438,000

### **43. Fabrication Labor for Items to be Shipped Out-of-State**

**Statutory citation:** [77-2704.11](#)

**Description:** The amount charged for the fabrication (production labor) of property owned and furnished by an in-state or out-of-state customer which is fabricated in Nebraska and then shipped by the Nebraska retailer performing the fabrication to a point outside Nebraska. This statute also exempts installation and application labor, and any other services.

**Estimate:** Not available

#### **44. Property to be Transported Out-of-State**

**Statutory citation:** [77-2704.44\(1\)](#)

**Description:** Property purchased from a non-nexus seller and retained solely for transporting out-of-state or to be incorporated into other property which will then be transported out-of-state.

**Estimate:** Not available

#### **45. Property Purchased in Other States to be Used in Nebraska**

**Statutory citation:** [77-2704.44\(2\)](#)

**Description:** Property purchased in another state, territory, or possession of the United States, the Commonwealth of Puerto Rico, or any foreign country which is intended to be used at that location, and which is actually used for its intended purpose (motor vehicles or motorboats registered in another state, commonwealth, territory, possession or country); and this property is brought into the State of Nebraska for use.

**Estimate:** Not available

#### **46. Aircraft Delivery to Out-of-State Resident or Business**

**Statutory citation:** [77-2704.26](#)

**Description:** An aircraft delivered or any service listed in [77-2701.16\(4\)](#) that is performed on an aircraft brought into Nebraska by an individual who is a resident of another state or any other person who has a business in another state when the aircraft is not to be registered or based in Nebraska and it will not remain in Nebraska more than ten days after the sale or service is completed.

**Estimate:** Not available

#### **47. State Reciprocal Agreements for Industrial Machinery**

**Statutory citation:** [77-2704.43](#)

**Description:** Industrial machinery and equipment, including parts for repairs, by another state or political subdivision of another state if the other state provides a similar reciprocal exemption.

**Estimate:** Not available

#### **48. Property Taxed in Another State**

**Statutory citation:** [77-2704.49](#), [77-2704.31](#)

**Description:** Property which has been taxed in another state, territory, or possession of the U.S., when a reciprocal exclusion or an exemption similar to transactions in Nebraska is granted.

**Estimate:** Not available

## **Nonprofits/Governments/Exempt**

#### **49. Purchases by Political Subdivisions of the State**

**Statutory citation:** [77-2704.15\(1\)](#)

**Description:** Purchases by the state, including public educational institutions recognized or established under the provisions of Chapter 85, any Nebraska county, township, city, village, rural or suburban fire protection district, city airport authority, county airport authority, joint airport authority, drainage district organized under sections [31-401](#) to [31-450](#), natural resource district, elected county fair board, housing agency as defined in section [71-1575](#) except for purchases for any commercial operation that does not exclusively benefit the residents of an affordable housing project, or joint entity or agency formed to fulfill the purposes described in the Integrated Solid Waste Management Act by any combination of two or more counties, townships, cities, or villages pursuant to the Interlocal Cooperation Act, the Integrated Solid Waste Management Act, or the Joint Public Agency Act, except for purchases for use in the business of furnishing gas, water, electricity, or heat, or by any irrigation or reclamation district, the irrigation division of any public power and irrigation district, or public schools established under Chapter 79.

**Estimate:** \$242,652,000

**Data source:** U.S. Census Bureau, State and Local Government Finances

## 50. Purchases by Churches and Nonprofit Colleges and Medical Facilities

**Statutory citation:** [77-2704.12\(1\)](#)

**Description:** Purchases made by-

Nonprofit organizations created exclusively for religious purposes;

Nonprofit organizations providing services exclusively to the blind;

Nonprofit Nebraska-licensed schools, colleges, universities established under sections [79-1601](#) to [79-1607](#) or sections [85-1101](#) to [85-1111](#) (public or private) (not including Nebraska public post-secondary institutions);

Nonprofit Nebraska-licensed hospitals;

Nonprofit Nebraska-licensed health clinics when two or more hospitals or the parent corporations of the hospitals own or control the health clinic for the purpose of reducing the cost of health services, or when the health clinic receives federal funds through the United States Public Health Service for the populations that are medically under-served;

Nonprofit Nebraska-licensed skilled nursing facilities;

Nonprofit Nebraska-licensed intermediate care facilities;

Nonprofit Nebraska-licensed assisted-living facilities;

Nonprofit Nebraska-licensed intermediate care facilities for the mentally retarded;

Nonprofit Nebraska-licensed nursing facilities;

Nonprofit Nebraska-licensed home health agency, hospice or hospice service, and respite care service;

Nonprofit Nebraska-licensed child-caring agencies or child placement agencies; and

Nonprofit organizations certified by the Department of Health and Human Services (HHS) to provide community-based services for persons with developmental disabilities.

**Estimate:** \$77,934,000

**Data source:** Nonprofit Almanac and Desk Reference, The Urban Institute

## 51. Purchasing Agents for Public Real Estate Construction Improvements

**Statutory citation:** [77-2704.15\(2\)](#)

**Description:** The appointment of purchasing agents shall be recognized for the purpose of altering the status of the construction contractor as the ultimate consumer of building materials which are annexed to the structure and belong to the state or governmental subdivision. The appointment of purchasing agents must be in writing and occur prior to the annexing of any property to real estate.

**Note:** Estimate is included in Exemption #50, [77-2704.15\(1\)](#) above.

## 52. Contractor as Purchasing Agent for Public Agencies

**Statutory citation:** [77-2704.12\(3\)](#)

**Description:** A contractor may be appointed as purchasing agent for these entities and make tax exempt purchases of building materials that will be annexed to real property.

**Estimate:** \$9,681,000

## 53. Nebraska Lottery

**Statutory citation:** [77-2704.38](#)

**Description:** Nebraska Lottery tickets sold pursuant to the State Lottery Act.

**Estimate:** \$7,182,000

**Data source:** Nebraska Department of Revenue, Charitable Gaming Division

## 54. Admissions to School Events

**Statutory citation:** [77-2704.10\(6\)](#)

**Description:** Fees charged by a school district, student organization, or parent-teacher association for functions at elementary or secondary schools, public or private.

**Estimate:** \$616,000

**55. Sales on Native American Indian Reservations**

**Regulation:** [1-012.02C\(22\)](#)

**Description:** Property sold to a Native American Indian living on an Indian Reservation or to a Native American Tribal Council when it is within the boundaries of an Indian Reservation.

**Estimate:** \$464,000

**Data source:** Nebraska Department of Revenue sales tax records

**56. School-supporting Fundraisers**

**Statutory citation:** [77-2704.25](#)

**Description:** Property sold by parent-booster clubs, parent-teacher associations, parent-teacher-student associations, or school-operated stores approved by an elementary or secondary school, public or private, if the proceeds are used to support school activities or the school itself.

**Estimate:** \$83,100

**Data source:** National Center for Charitable Statistics

**57. Fine Art Purchases by a Museum**

**Statutory citation:** [77-2704.56](#)

**Description:** Sales and use tax shall not be imposed on purchases of fine art by a museum as defined by section 51-702.

**Estimate:** \$63,000

**Data source:** [Fiscal note](#)

**58. Purchases by the Nebraska State Fair Board**

**Statutory citation:** [77-2704.16](#)

**Estimate:** \$61,875

**Data source:** Nebraska Department of Administrative Services, Monthly Fund Summary

**59. Purchases by the Nebraska Investment Finance Authority, and Licensees of the State Racing Commission**

**Statutory citation:** [77-2704.17](#), [77-2704.20](#)

**Estimate:** Minimal

**60. Purchases by U.S. Government**

**Statutory citation:** [77-2704.02](#)

**Description:** Purchases by the U.S. Government, its agencies, and wholly-owned corporations.

**Note:** State tax is prohibited

**61. Public Records**

**Statutory citation:** [77-2704.42](#)

**Description:** Copies of public records, except those documents developed, produced, or acquired and made available for commercial sale to the general public.

**Estimate:** Not available

**62. Sales by Religious Organizations**

**Statutory citation:** [77-2701.24\(4\)](#), [77-2704.48](#)

**Description:** An annual sale of property by an organization created exclusively for religious purposes.

**Estimate:** Not available

## Lodging/Shelter

### 63. Room Rentals by Certain Institutions

**Statutory citation:** [77-2701.33\(2\)](#)

**Description:** Room rentals made by certain facilities licensed under the Health Care Facility Licensure Act, college dormitories, and other facilities licensed by the State of Nebraska.

**Estimate:** \$61,596,000

**Data source:** U.S. Census Bureau, 2007 Economic Census; University of Nebraska on-campus enrollment and boarding rates

**Note:** Above figure includes lodging over 30 days.

## Energy

### 64. Motor Fuels

**Statutory citation:** [77-2704.05](#)

**Description:** Motor vehicle fuels such as gasoline, including casing head or natural gasoline, and any other liquids or gases for use in motor vehicles or motorboats; diesel and compressed fuels delivered into the fuel supply tanks of other vehicles; and railroad use.

**Estimate:** \$147,944,000

**Data source:** Nebraska Department of Revenue, Motor Fuels Section

### 65. Energy Used in Industry

**Statutory citation:** [77-2704.13\(2\)](#)

**Description:** Sales and purchases of the energy sources in section [77-2704.13\(1\)](#) when more than 50% of the amount purchased is for use directly in processing, manufacturing, generation of electricity, refining of property, or by any hospital.

**Estimate:** \$121,313,000

**Data source:** U.S. Department of Energy, Energy Information Administration

### 66. Energy Used in Agriculture

**Statutory citation:** [77-2704.13\(1\)](#)

**Description:** Sales and purchases of electricity, coal, gas, fuel oil, diesel fuel, tractor fuel, propane, gasoline, coke, nuclear fuel, butane, wood as fuel, and corn as fuel when more than 50% of the amount purchased for use directly in irrigation or farming.

**Estimate:** \$44,646,000

**Data source:** U.S. Department of Agriculture, 2007 Agricultural Census

### 67. Aviation Fuel

**Statutory citation:** [77-2704.03](#)

**Description:** Fuel for use in aircraft, specifically aviation gasoline and jet fuel.

**Estimate:** \$10,021,000

**Data source:** Nebraska Department of Revenue, Motor Fuels Section

### 68. Minerals, Oil, and Gas Severed from Real Property

**Statutory citation:** [77-2704.04](#)

**Estimate:** \$6,420,000

**Data source:** Nebraska Department of Revenue, Form 61 returns

## Miscellaneous

### 69. Cash Discounts/Coupons

**Statutory citation:** [77-2701.35\(3\)\(a\)](#)

**Description:** Cash discounts allowed and taken on sales not reimbursed by a third party, including coupons issued and redeemed by the retailer.

**Estimate:** \$2,268,000

### 70. Separately-stated Finance Charges

**Statutory citation:** [77-2701.35\(3\)\(b\)](#)

**Description:** Separately-stated finance, carrying, service, or interest charges in connection with credit extended under a deferred payment plan.

**Estimate:** \$318,000

### 71. Casual Sales

**Statutory citation:** [77-2701.24\(2\)](#), [77-2704.48](#)

**Description:** Garage sales and sales made by individuals on an online auction site of household goods and personal belongings. The sale cannot be held more than three days in a year and the sales must meet additional criteria contained in these sections.

**Estimate:** Not available

### 72. Lease-to-Purchase Agreements

**Statutory citation:** [77-2704.08](#)

**Description:** Leased property sold to a lessee of the property under a rental agreement (lease-purchase agreement) where the rental payments are credited against the purchase price of the property to the extent tax was collected on the payments.

**Estimate:** Not available

### 73. Separately-stated Taxes

**Statutory citation:** [77-2701.35\(3\)\(c\)](#)

**Description:** Any taxes legally-imposed on the consumer that are separately-stated on the invoice, bill of sale, or similar document given to the purchaser.

**Note:** An example of this type of tax is the federal luxury tax or the Universal Service Fund surcharge.

**Estimate:** Minimal

## RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.