

SECTION S — Waste Reduction and Recycling Incentive Act

BASIC PROVISIONS AND TAX BASE

The Nebraska Waste Reduction and Recycling Incentive Act imposes a fee of one dollar on each tire of every new motor vehicle, trailer, or semi-trailer registered in Nebraska. The fee is collected by the county treasurer at the time of registration, and is remitted to the Nebraska Department of Revenue for deposit in the Waste Reduction and Recycling Incentive Fund. This Fund is administered by the Nebraska Department of Environmental Quality.

In addition, a fee of one dollar is imposed on every new tire sold at retail for a motor vehicle, trailer, semi-trailer, or farm tractor. The fee is collected by the retailer in the same manner as sales tax and is remitted to the Department for deposit in the Waste Reduction and Recycling Incentive Fund.

The Nebraska Waste Reduction and Recycling Incentive Act imposes an annual waste reduction and recycling fee on all businesses with retail sales of tangible personal property which are subject to the tax. The fee is \$25 for each Nebraska location with retail sales of tangible personal property of \$50,000 or more.

The Tax Commissioner deducts and withholds from the fees a collection fee to reimburse the Department for the actual cost of collecting and administering the fees. The Legislature appropriates money from this collection fund for the Department to cover the actual costs of administering the program.

Statutory Reference and Description	Estimated Tax Expenditure Cost (NA = Not Available)
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EXEMPTIONS

Sections [81-15,159 through 81-15,165](#)

A qualified tire does not include: any recapped or re-grooved tire; any new tire sold specifically for use on off-road vehicles (e.g., bicycles, golf carts, riding lawnmowers); and farm implements (e.g., plows, disks, wagons, except farm tractor tires, which are subject to the fee). NA

Sections [81-15,159 through 81-15,165](#)

Qualified tires sold for resale purposes. \$309,003

Sections [81-15,159 through 81-15,165](#)

Qualified tires sold and delivered to another state. \$14,929

Sections [81-15,159 through 81-15,165](#)

Qualified tires sold to the federal government and its agencies. \$2,170

Sections [81-15,159 through 81-15,165](#)

Qualified tires sold to Native American Indians if the Native American Indian resides on a Nebraska Indian reservation, holds a Nebraska tax exemption identification card, and delivery of the tires takes place on the reservation. (Included in above)

DEDUCTIONS

Section [81-15,165](#)

Collection fee allowed the Department of Revenue. \$80,000

RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.