

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 96

Introduced by Slama, 1.

Read first time January 06, 2023

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-2704.36, Revised Statutes Cumulative Supplement, 2022; to provide
- 3 a sales and use tax exemption for twine as prescribed; to provide an
- 4 operative date; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2704.36, Revised Statutes Cumulative
2 Supplement, 2022, is amended to read:

3 77-2704.36 (1) Sales and use tax shall not be imposed on the gross
4 receipts from the sale, lease, or rental of:

5 (a) Depreciable agricultural machinery and equipment purchased,
6 leased, or rented on or after January 1, 1993, for use in commercial
7 agriculture; or

8 (b) Net wrap and twine purchased for use in commercial agriculture.

9 (2) For purposes of this section:

10 (a)(i) Agricultural machinery and equipment means tangible personal
11 property that is used directly in (A) cultivating or harvesting a crop,
12 (B) raising or caring for animal life, (C) protecting the health and
13 welfare of animal life, including fans, curtains, and climate control
14 equipment within livestock buildings, or (D) collecting or processing an
15 agricultural product on a farm or ranch, regardless of the degree of
16 attachment to any real property; and

17 (ii) Agricultural machinery and equipment includes, but is not
18 limited to, header trailers, head haulers, header transports, and seed
19 tender trailers and excludes any current tractor model as defined in
20 section 2-2701.01 not permitted for sale in Nebraska pursuant to sections
21 2-2701 to 2-2711; ~~and~~

22 (b) Net wrap means plastic wrap used in the baling of livestock feed
23 or bedding; ~~and hay.~~

24 (c) Twine means a strong string of two or more strands twisted
25 together used in the baling of livestock feed or bedding.

26 Sec. 2. This act becomes operative on October 1, 2023.

27 Sec. 3. Original section 77-2704.36, Revised Statutes Cumulative
28 Supplement, 2022, is repealed.