

LEGISLATIVE BILL 40

Approved by the Governor April 15, 1981

Introduced by DeCamp, 40; Koch, 12; Goodrich, 20; Newell,
13

AN ACT to amend section 77-27,142, Revised Statutes Supplement, 1980, relating to revenue and taxation; to eliminate the automatic expiration of certain taxes; to delete a reporting requirement; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 77-27,142, Revised Statutes Supplement, 1980, be amended to read as follows:

77-27,142. (1) Any incorporated municipality by ordinance of its governing body is hereby authorized to impose a sales and use tax of one half or one per cent upon the same transactions within such incorporated municipality on which the State of Nebraska is authorized to impose a tax pursuant to the provisions of the Nebraska Revenue Act of 1967, as amended from time to time. After April 6, 1978, no sales and use tax shall be imposed pursuant to this section until an election has been held and a majority of the qualified electors have approved such tax pursuant to sections 77-27,142.01 and 77-27,142.02.

(2) A city of the metropolitan class is hereby authorized to increase any city sales and use tax existing on January 1, 1978, imposed pursuant to this section by an amount not to exceed one half of one per cent if the question of such tax increase is submitted to the voters of such city and the voters by a majority vote approve such increase. The question of such increase shall be submitted to the voters at the primary or general election in 1980 if the city council shall submit a certified copy of a resolution to that effect to the election commissioner not later than forty-one days prior to the primary or general election. Notwithstanding the provisions of section 77-27,143, if the increase is approved by the voters at the primary or general election in 1980, the election commissioner shall file a certified copy of the election results with the Tax Commissioner on or before the last day of the month in which the election is held. If the increase is not approved by the voters at the primary or general election in 1980, no tax increased pursuant to this section shall remain in effect after December 31, 1980. ~~No tax increased pursuant to~~

~~this subsection shall remain in effect after December 31, 1981; Provided, that if there shall be any project of new construction, reconstruction, alteration, or improvement of any building commenced prior to any increase in the sales and use tax provided and on which bids for work were let out based upon the old sales and use tax rate and prior to any increase in such sales or use tax rate, the old rate of sales tax shall apply.~~

~~(3) Any increase in an existing sales and use tax imposed under the provisions of this section on and after August 24, 1979 shall automatically expire on January 1, 1982, without further action by the municipality which imposed such increase, and such sales and use tax shall revert to and be the same as it was before such increase.~~

~~(4) Any municipality increasing its sales and use tax rate beyond one per cent on or after April 6, 1978 shall file with the Revenue Committee of the legislature on or before January 15 of each year a report outlining what steps are being taken by the governing board of the municipality to reduce expenditures or increase revenue to replace the increased revenue generated by the increased sales and use tax rate when such increased revenue will automatically be reduced on January 1, 1982.~~

Sec. 2. That original section 77-27,142, Revised Statutes Supplement, 1980, is repealed.