

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT (CORRECTED)
LB474

Hearing Date: Wednesday March 13, 2013
Committee On: Revenue
Introducer: Krist
One Liner: Change provisions relating to occupation taxes

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Hadley, Hansen, Harr, Janssen, McCoy, Pirsch, Schumacher, Sullivan
Nay:
Absent:
Present Not Voting:

Proponents:

Sen. Bob Krist
Kathy Siefken
Ted Stessman
John Dilsaver

Representing:

Introducer
NE Grocery Assoc.
Self
Rite Way Oil/ NE Petroleum & Convenience Store Assoc.

Opponents:

Gary Krumland
Doug Kindig
Randy Gates
Lowell Johnson
Steve Hubka
J.D. Cox
Ron Withem
Tom Mumgaard
Jack Cheloha

Representing:

League of NE Municipalities
City of LaVista
City of Norfolk
City of Wayne
City of Lincoln
City of Alliance
University of NE
City of Omaha
City of Omaha

Neutral:

Nate Jenkins

Representing:

NE Assoc. of Resources Districts

Summary of purpose and/or changes:

The bill as drafted would redefine the term occupation tax and the powers of cities to impose such a tax. Provisions of law affecting all classes of cities are amended.

Also modified are the occupation tax statutes which give powers to natural resource districts to impose an occupation tax.

Explanation of amendments:

The committee amended the bill which redefined the term occupation tax and the powers of cities to impose such a tax. The amendments removed any references to natural resource districts but still apply to all classes of cities.

A moratorium is imposed on any new occupation tax or to an increase in local option sales tax above one and a-half percent. A "grandfather clause" is provided for those municipalities that have finalized all of the technical aspects of implementing a new occupation tax or local option sales tax increase above one and a-half percent. For example, the new occupation tax on cigarettes and other tobacco products imposed by the city of Omaha, which became effective January 1, 2013, would continue to be imposed. However, any occupation tax that has been approved by a municipality's governing board but still requires voter approval to become effective is declared null and void.

The bill contains the emergency clause, therefore the moratorium is effective upon passage and continues through July 14, 2014.

Galen Hadley, Chairperson