

AMENDMENTS TO LB 142

1           1. Insert the following new sections:

2           "Sec. 2. Section 66-1345, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           66-1345. (1) There is hereby created the Ethanol  
5 Production Incentive Cash Fund which shall be used by the board to  
6 pay the credits created in section 66-1344 to the extent provided  
7 in this section. Any money in the fund available for investment  
8 shall be invested by the state investment officer pursuant to the  
9 Nebraska Capital Expansion Act and the Nebraska State Funds  
10 Investment Act. The State Treasurer shall transfer to the Ethanol  
11 Production Incentive Cash Fund such money as shall be (a)  
12 appropriated to the Ethanol Production Incentive Cash Fund by the  
13 Legislature, (b) given as gifts, bequests, grants, or other  
14 contributions to the Ethanol Production Incentive Cash Fund from  
15 public or private sources, (c) made available due to failure to  
16 fulfill conditional requirements pursuant to investment agreements  
17 entered into prior to April 30, 1992, (d) received as return on  
18 investment of the Ethanol Authority and Development Cash Fund, (e)  
19 credited to the Ethanol Production Incentive Cash Fund from the  
20 fertilizer fee pursuant to section 77-4401, (f) credited to the  
21 Ethanol Production Incentive Cash Fund from the excise taxes  
22 imposed by section 66-1345.01, and (g) (f) credited to the Ethanol  
23 Production Incentive Cash Fund pursuant to section 66-1345.04.

24           (2) The Department of Revenue shall, at the end of each

1 calendar quarter, notify the State Treasurer of the amount of motor  
2 fuel tax that was not collected in the preceding calendar quarter  
3 due to the credits provided in section 66-1344. The State  
4 Treasurer shall transfer from the Ethanol Production Incentive Cash  
5 Fund to the Highway Trust Fund an amount equal to such credits less  
6 the following amounts:

7 (a) For 1993, 1994, and 1995, the amount generated during  
8 the calendar quarter by a one-cent tax on motor fuel pursuant to  
9 sections 66-489, 66-668, and 66-6,107;

10 (b) For 1996, the amount generated during the calendar  
11 quarter by a three-quarters-cent tax on motor fuel pursuant to such  
12 sections;

13 (c) For 1997, the amount generated during the calendar  
14 quarter by a one-half-cent tax on motor fuel pursuant to such  
15 sections; and

16 (d) For 1998, 1999, and 2000, no reduction.

17 The amounts shall be transferred through December 31,  
18 2000. For 1993 through 1997, if the amount generated pursuant to  
19 subdivisions (a), (b), and (c) of this subsection and the amount  
20 transferred pursuant to subsection (1) of this section are not  
21 sufficient to fund the credits provided in section 66-1344, then  
22 the credits shall be funded through the Ethanol Production  
23 Incentive Cash Fund but shall not be funded through either the  
24 Highway Cash Fund or the Highway Trust Fund. For 1998, 1999, and  
25 2000, the credits provided in such section shall be funded through  
26 the Ethanol Production Incentive Cash Fund but shall not be funded  
27 through either the Highway Cash Fund or the Highway Trust Fund.

1           (3) The State Treasurer shall transfer from the Ethanol  
2 Production Incentive Cash Fund to the Management Services Expense  
3 Revolving Fund the amount reported under subsection (4) of section  
4 66-1345.02 for each calendar quarter of the fiscal year as provided  
5 in such subsection.

6           (4) On February 15, 2001, the State Treasurer shall  
7 transfer unexpended and unobligated funds remaining in the Ethanol  
8 Production Incentive Cash Fund, after all transfers from the  
9 Ethanol Production Incentive Cash Fund to the Highway Trust Fund  
10 are completed, to the Water Quality Trust Fund. On February 15,  
11 2001, the State Treasurer shall transfer any unexpended and  
12 unobligated funds from the Ethanol Production Incentive Cash Fund  
13 to the Nebraska Corn Development, Utilization, and Marketing Fund  
14 and Grain Sorghum Development, Utilization, and Marketing Fund in  
15 the same proportion as funds were collected pursuant to section  
16 66-1345.01 from corn and grain sorghum.

17           Sec. 3. The Water Quality Trust Fund is created. The  
18 interest earned on the fund shall be transferred to the Natural  
19 Resources Enhancement Fund. Any money in the Water Quality Trust  
20 Fund shall be invested pursuant to the Nebraska Capital Expansion  
21 Act and the Nebraska State Funds Investment Act.

22           Sec. 4. Section 77-4401, Reissue Revised Statutes of  
23 Nebraska, is amended to read:

24           77-4401. (1) ~~Through December 31, 1996, there shall be~~  
25 There is imposed a fee of four dollars seventy-five cents per ton  
26 upon the gross tonnage of all sales, use, or other consumption in  
27 this state of commercial fertilizers. ~~7 and commencing January 17~~

AM0583  
LB 142  
DSH-03-01

AM0583  
LB 142  
DSH-03-01

1 ~~1997, through December 31, 2000, there shall be imposed a fee of~~  
2 ~~one dollar per ton upon such gross tonnage.~~ The fee shall be paid  
3 by the purchaser of the commercial fertilizer. Any commercial  
4 fertilizer subject to the sales and use tax pursuant to the  
5 Nebraska Revenue Act of 1967 shall be exempt from the fee imposed  
6 by this section. For purposes of this section, the definitions  
7 found in section 81-2,162.02 shall apply.

8 (2) The fee imposed by this section shall be collected by  
9 the seller and remitted to the ~~Department of Revenue for credit to~~  
10 ~~the Ethanol Production Incentive Cash Fund through December 31,~~  
11 ~~1996, and to the Natural Resources Enhancement Fund on and after~~  
12 ~~January 1, 1997,~~ based on the gross tonnage of commercial  
13 fertilizers sold during the preceding period. Payment of the fee  
14 shall be accompanied by a report setting forth the gross tonnage of  
15 commercial fertilizers sold by the seller. The report shall be on  
16 a form prescribed by the Department of Revenue and shall include  
17 such other information as the Tax Commissioner deems necessary.  
18 The provisions of the Nebraska Revenue Act of 1967 applicable to  
19 sales and use taxes shall apply to imposition of the fee.

20 (3) For purposes of this section, gross tonnage shall not  
21 include water and other carriers added by the retail seller of the  
22 fertilizer and shall not include sales of packages of fertilizers  
23 containing ten pounds or less.

24 (4) Any person who purchased commercial fertilizer prior  
25 to May 1, 1993, and paid a fee greater than three dollars per ton  
26 shall be entitled to a refund of the amount paid in excess of three  
27 dollars per ton.

AM0583  
LB 142  
DSH-03-01

AM0583  
LB 142  
DSH-03-01

1                   (5) The Tax Commissioner shall adopt and promulgate rules  
2 and regulations to carry out this section.".

3                   2.     On page 3, line 6, strike "section 60-3003" and  
4 insert "sections 60-3003, 66-1345, and 77-4401"; and in line 7  
5 strike "is" and insert "are".

6                   3.     Re-number the remaining sections accordingly.