

LEGISLATURE OF NEBRASKA
NINETY-EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1017

Introduced by Landis, 46

Read first time January 12, 2004

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section
2 77-2701.34, Reissue Revised Statutes of Nebraska; to
3 change provisions relating to sales tax on construction
4 labor; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2701.34, Reissue Revised Statutes
2 of Nebraska, is amended to read:

3 77-2701.34. Sale for resale means a sale of property or
4 provision of a service to any purchaser who is purchasing such
5 property or service for the purpose of reselling it in the normal
6 course of his or her business, either in the form or condition in
7 which it is purchased or as an attachment to or integral part of
8 other property or service. A sale for resale includes (1) a sale
9 of property to a contractor or repairperson electing to be taxed as
10 a retailer under subdivision (1) of section 77-2701.10~~7~~, or to a
11 contractor or repairperson being taxed as the consumer of property
12 and electing a tax-free inventory under subdivision (3) of section
13 77-2701.10~~7~~, or (2) a sale of subcontracted labor to a contractor
14 whose labor is subject to tax under subdivision (10)(e) of section
15 77-2701.16. A sale for resale also includes a sale of property to
16 a purchaser for the sole purpose of that purchaser renting or
17 leasing such property to another person, with rent or lease
18 payments set at a fair market value, or film rentals for use in a
19 place where an admission is charged that is subject to tax under
20 the Nebraska Revenue Act of 1967 but not if incidental to the
21 renting or leasing of real estate.

22 Sec. 2. Original section 77-2701.34, Reissue Revised
23 Statutes of Nebraska, is repealed.