

LEGISLATURE OF NEBRASKA  
NINETY-EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 957**

Introduced by Landis, 46

Read first time January 9, 2004

Committee: Revenue

A BILL

1 FOR AN ACT relating to taxation; to amend sections 77-2704.25,  
2 77-2704.36, 77-2716, 77-2734.01, 77-2753, and 77-2775,  
3 Reissue Revised Statutes of Nebraska, and section  
4 85-1808, Revised Statutes Supplement, 2003; to change  
5 provisions relating to exemptions, tax adjustments,  
6 income determinations, withholding, and tax liability; to  
7 harmonize provisions; to provide operative dates; and to  
8 repeal the original sections.  
9 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-2704.25, Reissue Revised Statutes  
2 of Nebraska, is amended to read:

3           77-2704.25. Sales and use taxes shall not be imposed on  
4 the gross receipts from the sale, lease, or rental of and the  
5 storage, use, or other consumption in this state of property,  
6 ~~except meals for human consumption,~~ sold by parent-booster clubs,  
7 parent-teacher associations, parent-teacher-student associations,  
8 or school-operated stores approved by an elementary or secondary  
9 school, public or private, if the proceeds from such sale are used  
10 to support school activities or the school itself.

11           Sec. 2. Section 77-2704.36, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13           77-2704.36. Sales and use tax shall not be imposed on  
14 the gross receipts from the sale, lease, or rental of depreciable  
15 agricultural machinery and equipment purchased, leased, or rented  
16 on or after January 1, 1993, for use in commercial agriculture.

17           Sec. 3. Section 77-2716, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19           77-2716. (1) The following adjustments to federal  
20 adjusted gross income or, for corporations and fiduciaries, federal  
21 taxable income shall be made for interest or dividends received:

22           (a) There shall be subtracted interest or dividends  
23 received by the owner of obligations of the United States and its  
24 territories and possessions or of any authority, commission, or  
25 instrumentality of the United States to the extent includable in  
26 gross income for federal income tax purposes but exempt from state  
27 income taxes under the laws of the United States;

28           (b) There shall be subtracted that portion of the total

1 dividends and other income received from a regulated investment  
2 company which is attributable to obligations described in  
3 subdivision (a) of this subsection as reported to the recipient by  
4 the regulated investment company;

5 (c) There shall be added interest or dividends received  
6 by the owner of obligations of the District of Columbia, other  
7 states of the United States, or their political subdivisions,  
8 authorities, commissions, or instrumentalities to the extent  
9 excluded in the computation of gross income for federal income tax  
10 purposes except that such interest or dividends shall not be added  
11 if received by a corporation which is a regulated investment  
12 company;

13 (d) There shall be added that portion of the total  
14 dividends and other income received from a regulated investment  
15 company which is attributable to obligations described in  
16 subdivision (c) of this subsection and excluded for federal income  
17 tax purposes as reported to the recipient by the regulated  
18 investment company; and

19 (e) (i) Any amount subtracted under this subsection shall  
20 be reduced by any interest on indebtedness incurred to carry the  
21 obligations or securities described in this subsection or the  
22 investment in the regulated investment company and by any expenses  
23 incurred in the production of interest or dividend income described  
24 in this subsection to the extent that such expenses, including  
25 amortizable bond premiums, are deductible in determining federal  
26 taxable income.

27 (ii) Any amount added under this subsection shall be  
28 reduced by any expenses incurred in the production of such income

1 to the extent disallowed in the computation of federal taxable  
2 income.

3 (2) There shall be allowed a net operating loss derived  
4 from or connected with Nebraska sources computed under rules and  
5 regulations adopted and promulgated by the Tax Commissioner  
6 consistent, to the extent possible under the Nebraska Revenue Act  
7 of 1967, with the laws of the United States. For a resident  
8 individual, estate, or trust, the net operating loss computed on  
9 the federal income tax return shall be adjusted by the  
10 modifications contained in this section. For a nonresident  
11 individual, estate, or trust or for a partial-year resident  
12 individual, the net operating loss computed on the federal return  
13 shall be adjusted by the modifications contained in this section  
14 and any carryovers or carrybacks shall be limited to the portion of  
15 the loss derived from or connected with Nebraska sources.

16 (3) There shall be subtracted from federal adjusted gross  
17 income for all taxable years beginning on or after January 1, 1987,  
18 the amount of any state income tax refund to the extent such refund  
19 was deducted under the Internal Revenue Code, was not allowed in  
20 the computation of the tax due under the Nebraska Revenue Act of  
21 1967, and is included in federal adjusted gross income.

22 (4) Federal adjusted gross income, or, for a fiduciary,  
23 federal taxable income shall be modified to exclude the portion of  
24 the income or loss received from a small business corporation with  
25 an election in effect under subchapter S of the Internal Revenue  
26 Code or from a limited liability company organized pursuant to the  
27 Limited Liability Company Act that is not derived from or connected  
28 with Nebraska sources as determined in section 77-2734.01.

1           (5) There shall be subtracted from federal adjusted gross  
2 income or, for corporations and fiduciaries, federal taxable income  
3 dividends received or deemed to be received from corporations which  
4 are not subject to the Internal Revenue Code.

5           (6) There shall be subtracted from federal taxable income  
6 a portion of the income earned by a corporation subject to the  
7 Internal Revenue Code of 1986 that is actually taxed by a foreign  
8 country or one of its political subdivisions at a rate in excess of  
9 the maximum federal tax rate for corporations. The taxpayer may  
10 make the computation for each foreign country or for groups of  
11 foreign countries. The portion of the taxes that may be deducted  
12 shall be computed in the following manner:

13           (a) The amount of federal taxable income from operations  
14 within a foreign taxing jurisdiction shall be reduced by the amount  
15 of taxes actually paid to the foreign jurisdiction that are not  
16 deductible solely because the foreign tax credit was elected on the  
17 federal income tax return;

18           (b) The amount of after-tax income shall be divided by  
19 one minus the maximum tax rate for corporations in the Internal  
20 Revenue Code; and

21           (c) The result of the calculation in subdivision (b) of  
22 this subsection shall be subtracted from the amount of federal  
23 taxable income used in subdivision (a) of this subsection. The  
24 result of such calculation, if greater than zero, shall be  
25 subtracted from federal taxable income.

26           (7) Federal adjusted gross income shall be modified to  
27 exclude any amount repaid by the taxpayer for which a reduction in  
28 federal tax is allowed under section 1341(a)(5) of the Internal

1 Revenue Code.

2 (8) (a) There shall be subtracted from federal adjusted  
3 gross income an amount equal to the difference between the amount  
4 qualified for calculation of a deduction as provided in section  
5 162(1) of the Internal Revenue Code and the amount actually allowed  
6 pursuant to section 162(1)(1) of the Internal Revenue Code.

7 (b) For an individual who itemized deductions on his or  
8 her federal return, the maximum amount subtracted under subdivision  
9 (8)(a) of this section shall be seven and one-half percent of  
10 federal adjusted gross income.

11 (9)(a) Federal adjusted gross income or, for corporations  
12 and fiduciaries, federal taxable income shall be reduced, to the  
13 extent included, by income from interest, earnings, and state  
14 contributions received from the Nebraska educational savings plan  
15 trust created in sections 85-1801 to 85-1814.

16 (b) Federal adjusted gross income or, for corporations  
17 and fiduciaries, federal taxable income shall be reduced, to the  
18 extent not deducted for federal income tax purposes, by the amount  
19 of any gift, grant, or donation made to the Nebraska educational  
20 savings plan trust for deposit in the endowment fund of the trust.

21 (c) Federal adjusted gross income or, for corporations  
22 and fiduciaries, federal taxable income shall be reduced by any  
23 contributions as a participant in the Nebraska educational savings  
24 plan trust, to the extent not deducted for federal income tax  
25 purposes, but not to exceed five hundred dollars per married filing  
26 separate return or one thousand dollars for any other return.

27 (d) Federal adjusted gross income or, for corporations  
28 and fiduciaries, federal taxable income shall be increased by the

1 amount resulting from the cancellation of a participation agreement  
2 refunded to the taxpayer as a participant in the Nebraska  
3 educational savings plan trust to the extent previously deducted as  
4 a contribution to the trust.

5 ~~(10)(a)~~ (9)(a) For income tax returns filed after  
6 September 10, 2001, federal adjusted gross income or, for  
7 corporations and fiduciaries, federal taxable income shall be  
8 increased by eighty-five percent of any amount of any federal bonus  
9 depreciation received under the federal Job Creation and Worker  
10 Assistance Act of 2002 or the federal Jobs and Growth Tax Act of  
11 2003, under section 168(k) or section 1400L of the Internal Revenue  
12 Code of 1986, as amended, for assets placed in service after  
13 September 10, 2001, and before December 31, 2005.

14 (b) For a partnership, limited liability company,  
15 cooperative, including any cooperative exempt from income taxes  
16 under section 521 of the Internal Revenue Code of 1986, as amended,  
17 subchapter S corporation, or joint venture, the increase shall be  
18 distributed to the partners, members, shareholders, patrons, or  
19 beneficiaries in the same manner as income is distributed for use  
20 against their income tax liabilities.

21 (c) For a corporation with a unitary business having  
22 activity both inside and outside the state, the increase shall be  
23 apportioned to Nebraska in the same manner as income is apportioned  
24 to the state by section 77-2734.05.

25 (d) The amount of bonus depreciation added to federal  
26 adjusted gross income or, for corporations and fiduciaries, federal  
27 taxable income by this subsection shall be subtracted in a later  
28 taxable year. Twenty percent of the total amount of bonus

1 depreciation added back by this subsection for tax years beginning  
2 or deemed to begin before January 1, 2003, under the Internal  
3 Revenue Code of 1986, as amended, may be subtracted in the first  
4 taxable year beginning or deemed to begin on or after January 1,  
5 2005, under the Internal Revenue Code of 1986, as amended, and  
6 twenty percent in each of the next four following taxable years.  
7 Twenty percent of the total amount of bonus depreciation added back  
8 by this subsection for tax years beginning or deemed to begin on or  
9 after January 1, 2003, may be subtracted in the first taxable year  
10 beginning or deemed to begin on or after January 1, 2006, under the  
11 Internal Revenue Code of 1986, as amended, and twenty percent in  
12 each of the next four following taxable years.

13           ~~(11)~~ (10) For taxable years beginning or deemed to begin  
14 on or after January 1, 2003, under the Internal Revenue Code of  
15 1986, as amended, federal adjusted gross income or, for  
16 corporations and fiduciaries, federal taxable income shall be  
17 increased by the amount of any capital investment that is expensed  
18 under section 179 of the Internal Revenue Code of 1986, as amended,  
19 that is in excess of twenty-five thousand dollars that is allowed  
20 under the federal Jobs and Growth Tax Act of 2003. Twenty percent  
21 of the total amount of expensing added back by this subsection for  
22 tax years beginning or deemed to begin on or after January 1, 2003,  
23 may be subtracted in the first taxable year beginning or deemed to  
24 begin on or after January 1, 2006, under the Internal Revenue Code  
25 of 1986, as amended, and twenty percent in each of the next four  
26 following tax years.

27           Sec. 4. Section 77-2734.01, Reissue Revised Statutes of  
28 Nebraska, is amended to read:

1                   77-2734.01.       (1) Residents of Nebraska who are  
2 shareholders of a small business corporation having an election in  
3 effect under subchapter S of the Internal Revenue Code or who are  
4 members of a limited liability company organized pursuant to the  
5 Limited Liability Company Act shall include in their Nebraska  
6 taxable income, to the extent includable in federal gross income,  
7 their proportionate share of such corporation's or limited  
8 liability company's federal income adjusted pursuant to this  
9 section. Income or loss from such corporation or limited liability  
10 company conducting a business, trade, profession, or occupation  
11 shall be included in the Nebraska taxable income of a shareholder  
12 or member who is a resident of this state to the extent of such  
13 shareholder's or member's proportionate share of the net income or  
14 loss from the conduct of such business, trade, profession, or  
15 occupation within this state, determined under subsection (2) of  
16 this section. A resident of Nebraska shall include in Nebraska  
17 taxable income fair compensation for services rendered to such  
18 corporation or limited liability company. Compensation actually  
19 paid shall be presumed to be fair unless it is apparent to the Tax  
20 Commissioner that such compensation is materially different from  
21 fair value for the services rendered or has been manipulated for  
22 tax avoidance purposes.

23                   (2) The income of any small business corporation having  
24 an election in effect under subchapter S of the Internal Revenue  
25 Code or limited liability company organized pursuant to the Limited  
26 Liability Company Act that is derived from or connected with  
27 Nebraska sources shall be determined in the following manner:

28                   (a) If the small business corporation is a member of a

1 unitary group, the small business corporation shall be deemed to be  
2 doing business within this state if any part of its income is  
3 derived from transactions with other members of the unitary group  
4 doing business within this state, and such corporation shall  
5 apportion its income by using the apportionment factor determined  
6 for the entire unitary group, including the small business  
7 corporation, under sections 77-2734.05 to 77-2734.15; ~~and~~

8 (b) If the small business corporation or limited  
9 liability company is not a member of a unitary group and is subject  
10 to tax in another state, it shall apportion its income under  
11 sections 77-2734.05 to 77-2734.15; and

12 (c) If the small business corporation or limited  
13 liability company is not subject to tax in another state, all of  
14 its income is derived from or connected with Nebraska sources.

15 (3) Nonresidents of Nebraska who are shareholders of such  
16 corporations or members of such limited liability companies shall  
17 file a Nebraska income tax return and shall include in Nebraska  
18 adjusted gross income their proportionate share of the  
19 corporation's or limited liability company's Nebraska income as  
20 determined under subsection (2) of this section.

21 (4) The nonresident shareholder or member shall execute  
22 and forward to the corporation or limited liability company before  
23 the filing of the corporation's or limited liability company's  
24 return an agreement which states he or she will file a Nebraska  
25 income tax return and pay the tax on the income derived from or  
26 connected with sources in this state, and such agreement shall be  
27 attached to the corporation's or limited liability company's  
28 Nebraska return for such taxable year.

1           (5) In the absence of the nonresident shareholder's or  
2 member's executed agreement being attached to the Nebraska return,  
3 the corporation or limited liability company shall remit with the  
4 return an amount equal to the highest individual income tax rate  
5 determined under section 77-2715.02 multiplied by the nonresident  
6 shareholder's or member's share of the corporation's or limited  
7 liability company's income which was derived from or attributable  
8 to this state. The amount remitted shall be allowed as a credit  
9 against the Nebraska income tax liability of the shareholder or  
10 member.

11           (6) The Tax Commissioner may allow a nonresident  
12 individual shareholder or member to not file a Nebraska income tax  
13 return if the nonresident individual shareholder's or member's only  
14 source of Nebraska income was his or her share of the small  
15 business corporation's or limited liability company's income which  
16 was derived from or attributable to sources within this state, the  
17 nonresident did not file an agreement to file a Nebraska income tax  
18 return, and the small business corporation or limited liability  
19 company has remitted the amount required by subsection (5) of this  
20 section on behalf of such nonresident individual shareholder or  
21 member. The amount remitted shall be retained in satisfaction of  
22 the Nebraska income tax liability of the nonresident individual  
23 shareholder or member.

24           (7) A small business corporation or limited liability  
25 company return shall be filed only if one or more of the  
26 shareholders of the corporation or members of the limited liability  
27 company are not residents of the State of Nebraska or if such  
28 corporation or limited liability company has income derived from

1 sources outside this state.

2           Sec. 5.     Section 77-2753, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           77-2753.   (1) Every employer and payor maintaining an  
5 office or transacting business within this state and making payment  
6 of any wages or other payments as defined in subsection (5) of this  
7 section which are taxable under the Nebraska Revenue Act of 1967 to  
8 any individual shall deduct and withhold from such wages for each  
9 payroll period and from such payments a tax computed in such manner  
10 as to result, so far as practicable, in withholding from the  
11 employee's wages and payments to the payee during each calendar  
12 year an amount substantially equivalent to the tax reasonably  
13 estimated to be due from the employee or payee under such act with  
14 respect to the amount of such wages and payments included in his or  
15 her taxable income during the calendar year.   The method of  
16 determining the amount to be withheld shall be prescribed by rules  
17 and regulations of the Tax Commissioner.   Such rules and  
18 regulations may allow withholding to be computed at a percentage of  
19 the federal withholding for gambling winnings or supplemental  
20 payments, including bonuses, commissions, overtime pay, and sales  
21 awards which are not paid at the same time as other wages. Any  
22 withholding tables prescribed by the Tax Commissioner shall be  
23 provided to the budget division of the Department of Administrative  
24 Services and the Legislative Fiscal Analyst for review at least  
25 sixty days before the tables become effective.

26           (2) (a) Every payor who is either (i) making a payment or  
27 payments in excess of five thousand dollars or (ii) maintaining an  
28 office or transacting business within this state and making a

1 payment or payments related to such business in excess of six  
2 hundred dollars, and such payment or payments are for personal  
3 services performed or to be performed substantially within this  
4 state, to a nonresident individual, other than an employee, who is  
5 not subject to withholding on such payment under the Internal  
6 Revenue Code or a corporation, partnership, or limited liability  
7 company described in subdivision (c) of this subsection, shall be  
8 deemed an employer, and the individual performing the personal  
9 services shall be deemed an employee for the purposes of this  
10 section. The payor shall deduct and withhold from such payments  
11 the percentage of such payments prescribed in subdivision (b) of  
12 this subsection. If the individual performing the personal  
13 services provides the payor with a statement of the expenses  
14 reasonably related to the personal services, the total payment or  
15 payments may be reduced by the total expenses before computing the  
16 amount to deduct and withhold, except that such reduction shall not  
17 be more than fifty percent of such payment or payments.

18 (b) For any payment or payments for the same service,  
19 award, or purse that totals less than twenty-eight thousand  
20 dollars, the percentage deducted from such payment or payments  
21 pursuant to this subsection shall be four percent, and for all  
22 other payments, the percentage shall be six percent.

23 (c) For any corporation, partnership, or limited  
24 liability company that receives compensation for personal services  
25 in this state and of which all or substantially all of the  
26 shareholders, partners, or members are the individuals performing  
27 the personal services, including, but not limited to, individual  
28 athletes, entertainers, performers, or public speakers performing

1 such personal services, such compensation shall be deemed wages of  
2 the individuals performing the personal services and subject to the  
3 income tax imposed on individuals by the Nebraska Revenue Act of  
4 1967.

5 (d) The withholding required by this subsection shall not  
6 apply to any payment to a nonresident alien, corporation,  
7 partnership, or limited liability company if such individual,  
8 shareholder, partner, or member provides the payor with a statement  
9 that the income earned is not subject to tax because of a treaty  
10 obligation of the United States.

11 (3) The Tax Commissioner may enter into agreements with  
12 the tax departments of other states, which require income tax to be  
13 withheld from the payment of wages, salaries, and such other  
14 payments, so as to govern the amounts to be withheld from the wages  
15 and salaries of and other payments to residents of such states.  
16 Such agreements may provide for recognition of anticipated tax  
17 credits in determining the amounts to be withheld and, under rules  
18 and regulations adopted and promulgated by the Tax Commissioner,  
19 may relieve employers and payors in this state from withholding  
20 income tax on wages, salaries, and such other payments paid to  
21 nonresident employees and payees. The agreements authorized by  
22 this subsection shall be subject to the condition that the tax  
23 department of such other states grant similar treatment to  
24 residents of this state.

25 (4) The Tax Commissioner shall enter into an agreement  
26 with the United States Office of Personnel Management for the  
27 withholding of income tax imposed on individuals by the Nebraska  
28 Revenue Act of 1967 on civil service annuity payments for those

1 recipients who voluntarily request withholding. The agreement  
2 shall be pursuant to 5 U.S.C. 8345 and the rules and regulations  
3 adopted and promulgated by the Tax Commissioner.

4 (5) Wages and other payments subject to withholding shall  
5 mean payments that are subject to withholding under the Internal  
6 Revenue Code of 1986 and are (a) payments made by employers to  
7 employees, except such payments subject to 26 U.S.C. ~~3405~~ 3406,  
8 (b) payments of gambling winnings, or (c) pension or annuity  
9 payments when the recipient has requested the payor to withhold  
10 from such payments.

11 Sec. 6. Section 77-2775, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13 77-2775. (1) If the amount of a taxpayer's federal  
14 adjusted gross income, taxable income, or tax liability reported on  
15 his or her federal income tax return for any taxable year is  
16 changed or corrected by the Internal Revenue Service or other  
17 competent authority or as the result of a renegotiation of a  
18 contract or subcontract with the United States, the taxpayer shall  
19 report such change or correction in federal adjusted gross income,  
20 taxable income, or tax liability within ninety days after the final  
21 determination of such change, correction, or renegotiation.

22 (2) Whenever the amount of a taxpayer's income which is  
23 taxable in any state for any taxable year or any tax credits  
24 allowable in such state are changed or corrected in a way material  
25 to the tax liability owed to this state by the agency having  
26 authority to examine returns filed with such state or any other  
27 competent authority or whenever an amended return is filed by any  
28 taxpayer with a change or correction material to the tax liability

1 owed to this state with another state, such change or correction  
2 shall be reported to the Tax Commissioner within ninety days after  
3 the final change or correction or filing of the amended return.  
4 The Tax Commissioner shall by rule and regulation provide the  
5 nature of any change or correction which must be reported. This  
6 subsection shall apply to changes or corrections which become final  
7 on or after May 1, 1993.

8 (3) The taxpayer shall report all changes or corrections  
9 required to be reported under this section by filing an amended  
10 income tax return and shall give such information as the Tax  
11 Commissioner may require. The taxpayer shall concede the accuracy  
12 of any change or correction or state why it is erroneous.

13 (4) Any taxpayer filing an amended federal income tax  
14 return shall also file within ninety days thereafter an amended  
15 income tax return under the Nebraska Revenue Act of 1967 and shall  
16 give such information as the Tax Commissioner may require. For any  
17 amended federal income tax return requesting a credit or refund,  
18 the amended Nebraska income tax return shall be filed within ninety  
19 days after the taxpayer has received proof of federal acceptance of  
20 the credit or refund.

21 Sec. 7. Section 85-1808, Revised Statutes Supplement,  
22 2003, is amended to read:

23 85-1808. (1) A participant may cancel a participation  
24 agreement at will. The trustee shall determine and collect a  
25 refund penalty by deducting the refund penalty from the returned  
26 funds. Collected refund penalties shall be deposited in the  
27 endowment fund. Endowment fund money credited to the program  
28 account shall be forfeited and returned to the endowment fund.

1           (2) Upon the occurrence of any of the following  
2 circumstances, no refund penalty shall be levied by the trust in  
3 the event of a refund or termination of a participation agreement:

4           (a) Death of the beneficiary;

5           (b) Permanent disability or mental incapacity of the  
6 beneficiary;

7           (c) The beneficiary is awarded a scholarship as defined  
8 in section 529 of the Internal Revenue Code, but only to the extent  
9 the refund of earnings does not exceed the scholarship amount; or

10           (d) A qualified rollover is made as permitted by section  
11 529 of the Internal Revenue Code, except that if a qualified  
12 rollover is made into a plan sponsored by another state or entity,  
13 the participation agreement shall be deemed to have been canceled  
14 for purposes of subdivision ~~(9)(d)~~ (8)(d) of section 77-2716 and  
15 federal adjusted gross income shall be increased to the extent  
16 previously deducted as a contribution to the trust.

17           (3) In the event of cancellation of a participation  
18 agreement for any of the causes listed in subsection (2) of this  
19 section, the participant shall be entitled to receive the principal  
20 amount of all contributions made by the participant under the  
21 participation agreement plus the actual program fund investment  
22 income earned on the contributions, less any losses incurred on the  
23 investment, but not endowment fund money. Notwithstanding any  
24 other provisions of this section, under no circumstances shall a  
25 participant or beneficiary receive a refund or distribution that is  
26 more than the fair market value of the specific account on the  
27 applicable liquidation date.

28           Sec. 8. Sections 1, 2, and 9 of this act become

1 operative on October 1, 2004. The other sections of this act  
2 become operative for taxable years beginning or deemed to begin on  
3 or after January 1, 2004, under the Internal Revenue Code of 1986,  
4 as amended.

5           Sec. 9. Original sections 77-2704.25 and 77-2704.36,  
6 Reissue Revised Statutes of Nebraska, are repealed.

7           Sec. 10. Original sections 77-2716, 77-2734.01, 77-2753,  
8 and 77-2775, Reissue Revised Statutes of Nebraska, and section  
9 85-1808, Revised Statutes Supplement, 2003, are repealed.