

One Hundred Fifth Legislature - First Session - 2017

Introducer's Statement of Intent

LB44

Chairperson: Senator Jim Smith

Committee: Revenue

Date of Hearing: January 27, 2017

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 44 proposes to adopt the Remote Seller Sales Tax Collection Act. The legislation would require remote sellers (online retailer without a physical presence in our state) to collect and remit sales tax if their gross revenue in Nebraska exceeds \$100,000 or their sales in Nebraska consist of 200 or more separate transactions.

If the remote seller refuses to collect Nebraska sales tax, the remote seller would have to notify Nebraska purchasers that the sales or use tax is due and that the State of Nebraska requires the purchaser to file a sales or use tax return. The remote seller would be subject to a \$5 penalty for each failure to notify. Furthermore, the remote seller must send notification annually to Nebraska purchasers by January 31 reflecting the total amount of purchases made in the previous year. Failure to send this notification would subject the remote seller to a \$10 penalty. Finally, the remote seller is required to file an annual statement for each purchaser by March 1 with the Department of Revenue showing the total amount paid in the previous year. Failure to file this annual statement would subject the remote seller to a penalty of \$10 for each purchaser that should have been included on the statement.

Principal Introducer: _____

Senator Dan Watermeier