

LEGISLATIVE BILL 445

Approved by the Governor May 01, 2019

Introduced by McDonnell, 5; Cavanaugh, 6; DeBoer, 10; Groene, 42; Halloran, 33; Hilkemann, 4; Hunt, 8; Kolowski, 31; Lathrop, 12; Linehan, 39; Murman, 38; Slama, 1; Vargas, 7; Walz, 15; Wayne, 13; Wishart, 27; Erdman, 47; Brewer, 43; Geist, 25; Lowe, 37.

A BILL FOR AN ACT relating to cities and villages; to amend section 18-1208, Reissue Revised Statutes of Nebraska; to require annual reports relating to occupation taxes as prescribed; and to repeal the original section.
Be it enacted by the people of the State of Nebraska,

Section 1. Section 18-1208, Reissue Revised Statutes of Nebraska, is amended to read:

18-1208 (1) Except as otherwise provided in this section, after July 19, 2012, a municipality may impose a new occupation tax or increase the rate of an existing occupation tax, which new occupation tax or increased rate of an existing occupation tax is projected to generate annual occupation tax revenue in excess of the applicable amount listed in subsection (2) of this section, pursuant to section 14-109, 15-202, 15-203, 16-205, or 17-525 if the question of whether to impose the tax or increase the rate of an existing occupation tax has been submitted at an election held within the municipality and in which all registered voters shall be entitled to vote on the question. The officials of the municipality shall order the submission of the question by submitting a certified copy of the resolution proposing the tax or tax rate increase to the election commissioner or county clerk at least fifty days before the election. The election shall be conducted in accordance with the Election Act. If a majority of the votes cast upon the question are in favor of the new tax or increased rate of an existing occupation tax, then the governing body of such municipality shall be empowered to impose the new tax or to impose the increased tax rate. If a majority of those voting on the question are opposed to the new tax or increased rate, then the governing body of the municipality shall not impose the new tax or increased rate but shall maintain any existing occupation tax at its current rate.

(2) The applicable amount of annual revenue for each new occupation tax or annual revenue raised by the increased rate for an existing occupation tax for purposes of subsection (1) of this section is:

- (a) For cities of the metropolitan class, six million dollars;
- (b) For cities of the primary class, three million dollars;
- (c) For cities of the first class, seven hundred thousand dollars; and
- (d) For cities of the second class and villages, three hundred thousand dollars.

(3) After July 19, 2012, a municipality shall not be required to submit the following questions to the registered voters:

- (a) Whether to change the rate of an occupation tax imposed for a specific project which does not provide for deposit of the tax proceeds in the municipality's general fund; or
- (b) Whether to terminate an occupation tax earlier than the determinable termination date under the original question submitted to the registered voters.

This subsection applies to occupation taxes imposed prior to, on, or after July 19, 2012.

(4) The provisions of this section do not apply to an occupation tax subject to section 86-704.

(5) No later than ninety days after the end of the fiscal year, each municipality that imposes or increases any occupation tax as provided under this section shall provide an annual report on the collection and use of such occupation tax. The report shall be posted on the municipality's public web site or made available for public inspection at a location designated by the municipality. The report shall include, but not be limited to:

- (a) A list of all such occupation taxes collected by the municipality;
- (b) The amount generated annually by each such occupation tax;
- (c) Whether funds generated by each such occupation tax are deposited in the general fund, cash funds, or other funds of the municipality;
- (d) Whether any such occupation tax is dedicated for a specific purpose, and if so, the amount dedicated for such purpose; and
- (e) The scheduled or projected termination date, if any, of each such occupation tax.

Sec. 2. Original section 18-1208, Reissue Revised Statutes of Nebraska, is repealed.