

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 941

Introduced by Slama, 1.

Read first time January 10, 2022

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-2704.36, Revised Statutes Supplement, 2021; to provide a sales
- 3 and use tax exemption for net wrap as prescribed; to provide an
- 4 operative date; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2704.36, Revised Statutes Supplement, 2021, is
2 amended to read:

3 77-2704.36 (1) Sales and use tax shall not be imposed on the gross
4 receipts from the sale, lease, or rental of:

5 (a) Depreciable ~~depreciable~~ agricultural machinery and equipment
6 purchased, leased, or rented on or after January 1, 1993, for use in
7 commercial agriculture; or -

8 (b) Net wrap purchased for use in commercial agriculture.

9 (2) For purposes of this section:

10 (a)(i) ~~(a)~~ Agricultural machinery and equipment means tangible
11 personal property that is used directly in (A) ~~(i)~~ cultivating or
12 harvesting a crop, (B) ~~(ii)~~ raising or caring for animal life, (C) ~~(iii)~~
13 protecting the health and welfare of animal life, including fans,
14 curtains, and climate control equipment within livestock buildings, or
15 (D) ~~(iv)~~ collecting or processing an agricultural product on a farm or
16 ranch, regardless of the degree of attachment to any real property; ~~and~~

17 (ii) ~~(b)~~ Agricultural machinery and equipment includes, but is not
18 limited to, header trailers, head haulers, header transports, and seed
19 tender trailers and excludes any current tractor model as defined in
20 section 2-2701.01 not permitted for sale in Nebraska pursuant to sections
21 2-2701 to 2-2711; and -

22 (b) Net wrap means plastic wrap used in the baling of hay.

23 Sec. 2. This act becomes operative on October 1, 2022.

24 Sec. 3. Original section 77-2704.36, Revised Statutes Supplement,
25 2021, is repealed.