

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SPECIAL SESSION

LEGISLATIVE BILL 8

Introduced by Blood, 3.

Read first time July 25, 2024

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
2 77-2701, Revised Statutes Supplement, 2023, as amended by Laws 2024,
3 LB937, section 67, Laws 2024, LB1023, section 8, and Laws 2024,
4 LB1317, section 80; and section 77-2701.04, Revised Statutes
5 Supplement, 2023, as amended by Laws 2024, LB937, section 68, and
6 Laws 2024, LB1317, section 82; to provide for a luxury tax; to
7 harmonize provisions; to provide an operative date; and to repeal
8 the original sections.
9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2701, Revised Statutes Supplement, 2023, as
2 amended by Laws 2024, LB937, section 67, Laws 2024, LB1023, section 8,
3 and Laws 2024, LB1317, section 80, is amended to read:

4 77-2701 Sections 77-2701 to 77-27,135.01, 77-27,222, 77-27,235,
5 77-27,236, and 77-27,238 to 77-27,241, section 71 of this act, section 11
6 of this act, ~~and~~ section 84 of this act, and section 3 of this act shall
7 be known and may be cited as the Nebraska Revenue Act of 1967.

8 Sec. 2. Section 77-2701.04, Revised Statutes Supplement, 2023, as
9 amended by Laws 2024, LB937, section 68, and Laws 2024, LB1317, section
10 82, is amended to read:

11 77-2701.04 For purposes of sections 77-2701.04 to 77-2713 and
12 77-27,239, section 71 of this act, ~~and~~ section 84 of this act, and
13 section 3 of this act, unless the context otherwise requires, the
14 definitions found in sections 77-2701.05 to 77-2701.56 shall be used.

15 Sec. 3. (1) A luxury tax is hereby imposed upon the purchaser of
16 any:

- 17 (a) Motor vehicle that costs more than fifty thousand dollars;
- 18 (b) Jewelry that costs more than five thousand dollars; and
- 19 (c) Clothing that costs more than one thousand dollars.

20 (2) Purchases of the following are exempt from the luxury tax:

- 21 (a) Any motor vehicle purchased by a nonresident serving on active
22 duty in Nebraska as a member of the United States Armed Forces or the
23 United States Reserve Forces or by such nonresident's spouse;

- 24 (b) Any motor vehicle with a gross vehicle weight rating of more
25 than twelve thousand five hundred pounds; and

- 26 (c) Any motor vehicle with a gross vehicle weight rating less than
27 or equal to twelve thousand five hundred pounds that is designed or used
28 for commercial purposes and is registered as a commercial motor vehicle.

29 (3) Except as provided in subsection (4) of this section, the luxury
30 tax shall be equal to 2.25 percent of the purchase price.

31 (4) For any purchase exceeding four hundred thousand dollars, the

1 luxury tax shall be equal to 3.7 percent of the amount of the purchase
2 price.

3 (5) The luxury tax shall be in addition to all other taxes.

4 (6) The luxury tax shall be collected by the seller and remitted to
5 and enforced by the Department of Revenue.

6 (7) All taxes remitted to the Department of Revenue under this
7 section shall be remitted to the State Treasurer for credit to the
8 General Fund.

9 (8) The Department of Revenue may adopt and promulgate rules and
10 regulations to carry out this section.

11 Sec. 4. This act becomes operative on January 1, 2025.

12 Sec. 5. Original section 77-2701, Revised Statutes Supplement,
13 2023, as amended by Laws 2024, LB937, section 67, Laws 2024, LB1023,
14 section 8, and Laws 2024, LB1317, section 80; and section 77-2701.04,
15 Revised Statutes Supplement, 2023, as amended by Laws 2024, LB937,
16 section 68, and Laws 2024, LB1317, section 82, are repealed.