

AMENDMENTS TO LB650

(Amendments to Standing Committee amendments, AM923)

Introduced by von Gillern, 4.

1           1. Strike sections 36 and 63 and insert the following new section:

2           **Sec. 38.** Section 77-2706.02, Revised Statutes Cumulative Supplement,  
3   2024, is amended to read:

4           77-2706.02 (1) This section applies on and after July 1, 2026.

5           (2) The appointment of purchasing agents shall be recognized for the  
6   purpose of permitting a construction contractor to purchase materials tax  
7   free based on the buyer-based exemption of the contractor's client for  
8   items that are physically annexed to the structure and which subsequently  
9   belong to the client who is eligible for the buyer-based exemption. The  
10   appointment of purchasing agents shall be in writing and occur prior to  
11   having any buyer-based tax-exempt items annexed to real estate in the  
12   construction, improvement, or repair. The contractor who has been  
13   appointed as a purchasing agent may purchase the materials tax free or  
14   may apply for a refund of or use as a credit against a future use tax  
15   liability the tax paid on inventory items annexed to real estate in the  
16   construction, improvement, or repair of a project that belongs to the  
17   client who is eligible for the buyer-based exemption.

18           (3) A client described in subsection (2) of this section which  
19   enters into a contract of construction, improvement, or repair with  
20   respect to buyer-based tax-exempt items annexed to real estate without  
21   first issuing a purchasing agent authorization to a construction  
22   contractor prior to such items being annexed to real estate in the  
23   project may apply to the Tax Commissioner for a refund of any sales and  
24   use tax paid by the contractor on such items physically annexed to real  
25   estate in the construction, improvement, or repair.

26           (4) For purposes of this section, client means a nonprofit entity.

- 1           2. Renumber the remaining sections accordingly.
- 2           3. Correct the operative date and repealer sections so that the
- 3 section added by this amendment becomes operative on its effective date.