

AMENDMENTS TO LB1174

Introduced by Banking, Commerce and Insurance.

1 1. Strike the original sections and insert the following new
2 sections:

3 **Section 1.** Section 8-2701, Revised Statutes Supplement, 2025, is
4 amended to read:

5 8-2701 Sections 8-2701 to 8-2742 and sections 2 and 3 of this act
6 shall be known and may be cited as the Nebraska Money Transmitters Act.

7 **Sec. 2.** The Department of Banking and Finance shall, as requested,
8 provide to the Department of Revenue the data of money transmitters as
9 necessary to meet the responsibilities of the Department of Revenue under
10 the Nebraska Money Transmitters Act, to the extent the Department of
11 Banking and Finance collects such information. The Department of Revenue
12 may, as requested by the director, share information with the Department
13 of Banking and Finance as necessary to enforce the Nebraska Money
14 Transmitters Act.

15 **Sec. 3.** (1) For purposes of this section:

16 (a) Active duty member of the armed forces means a person who is a
17 member of the armed forces of the United States on active duty as defined
18 in 10 U.S.C. 101(d)(1), as such section existed on January 1, 2026, or a
19 member of the Nebraska National Guard in active service of the state;

20 (b) Credit card has the same meaning as in 15 U.S.C. 16930-2, as
21 such section existed on January 1, 2026;

22 (c) Debit card has the same meaning as in 15 U.S.C. 16930-2, as such
23 section existed on January 1, 2026, except that debit card shall not
24 include a general-use prepaid card as defined in 15 U.S.C. 16931-1, as
25 such section existed on January 1, 2026;

26 (d) Dependent means a spouse or any other person for whom an active
27 duty member of the armed forces provided more than one-half of that

1 person's support during the previous calendar year;

2 (e) Designated recipient has the same meaning as in section 919 of
3 the Electronic Fund Transfer Act, 15 U.S.C. 16930-1, as such section
4 existed on January 1, 2026;

5 (f) Foreign adversary country means any country listed in 15 C.F.R.
6 791.4, as such regulation existed on January 1, 2026;

7 (g) Remittance transfer has the same meaning as in section 919 of
8 the Electronic Fund Transfer Act, 15 U.S.C. 16930-1, as such section
9 existed on January 1, 2026, except that it shall only apply where the
10 sender provides cash, a money order, a cashier's check, or any other
11 similar physical instrument to the remittance transfer provider;

12 (h) Remittance transfer provider has the same meaning as in section
13 919 of the Electronic Fund Transfer Act, 15 U.S.C. 16930-1, as such
14 section existed on January 1, 2026; and

15 (i) Sender has the same meaning as in section 919 of the Electronic
16 Fund Transfer Act, 15 U.S.C. 16930-1, as such section existed on January
17 1, 2026.

18 (2) There is hereby imposed an excise tax of twenty-five percent on
19 any remittance transfer by a licensee or authorized delegate to a
20 resident of a foreign adversary country.

21 (3)(a) The tax imposed by this section shall not apply to a
22 remittance transfer:

23 (i) If the sender or designated recipient of such transfer is an
24 active duty member of the armed forces or a dependent of such member; or

25 (ii) For which the funds being transferred are:

26 (A) Withdrawn from an account held in or by a financial institution:

27 (I) Described in 31 U.S.C. 5312(a)(2)(A) through (H), as such
28 section existed on January 1, 2026; and

29 (II) That is subject to the requirements of 31 U.S.C. Chapter 53,
30 Subchapter II, as such subchapter existed on January 1, 2026; or

31 (B) Funded with a debit card or credit card issued in the United

1 States.

2 (b) To qualify for the exemption under subdivision (3)(a)(i) of this
3 section, the sender or designated recipient shall present a valid United
4 States Department of Defense Common Access Card or other valid military
5 identification to the remittance transfer provider at the time of the
6 transaction.

7 (4)(a) The sender of a remittance transfer shall pay the tax imposed
8 by this section on such transfer.

9 (b) If any tax imposed by this section is not paid at the time a
10 transfer is made, then to the extent that such tax is not paid, the
11 remittance transfer provider of such transfer shall pay the tax.

12 (c) The remittance transfer provider of a remittance transfer shall
13 collect the amount of the tax imposed by this section on such transfer
14 from the sender and remit such tax to the Department of Revenue
15 quarterly.

16 (5) Sections 77-2707 to 77-2711 shall apply to the tax imposed by
17 this section as if such tax were a sales or use tax imposed by the
18 Nebraska Revenue Act of 1967.

19 (6) The Department of Revenue may share any information related to
20 the tax imposed by this section with the Department of Banking and
21 Finance.

22 (7)(a) No refund of the tax imposed by this section shall be allowed
23 unless a claim for such refund is filed within the required period for a
24 refund of sales taxes.

25 (b) The Department of Revenue shall establish an expedited refund
26 process for any active duty member of the armed forces or dependent who
27 was charged the tax in error.

28 (c) To be eligible for the expedited refund process described in
29 subdivision (7)(b) of this section, an active duty member of the armed
30 forces or dependent who was charged in error shall submit proof of
31 military status to the Department of Revenue.

1 (8) The Department of Revenue may adopt and promulgate rules and
2 regulations to prescribe any and all forms and supporting documentation
3 necessary for the payment, collection, and reporting of the tax imposed
4 by this section and to establish the expedited refund process described
5 in subdivision (7)(b) of this section.

6 (9) The Department of Revenue may use electronic funds transfer to
7 collect the tax imposed by this section or to pay any refund of such tax.

8 (10) The use of any electronic filing of documents or electronic
9 funds transfer shall not alter the rights of any party from the rights of
10 such party if a different method of filing or payment was used.

11 (11) All taxes received by the Department of Revenue pursuant to
12 this section shall be remitted to the State Treasurer for credit to the
13 General Fund.

14 (12) Upon request from the Department of Revenue, the Department of
15 Banking and Finance may make a claim against the surety bond of a
16 licensee for payment of any tax imposed by this section on such licensee.

17 **Sec. 4.** This act becomes operative on July 1, 2026.

18 **Sec. 5.** Original section 8-2701, Revised Statutes Supplement, 2025,
19 is repealed.

20 **Sec. 6.** Since an emergency exists, this act takes effect when
21 passed and approved according to law.