

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 714

Introduced by Clements, 2.

Read first time January 22, 2025

Committee: Transportation and Telecommunications

1 A BILL FOR AN ACT relating to motor vehicles; to amend sections 60-3,186,
2 60-3,187, and 60-3,190, Reissue Revised Statutes of Nebraska; to
3 change the percentage of fees retained by county treasurers; to
4 change and provide motor vehicle tax schedules and motor vehicle
5 fees; to provide an operative date; and to repeal the original
6 sections.

7 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 60-3,186, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 60-3,186 (1) The department shall annually determine the motor
4 vehicle tax on each motor vehicle registered pursuant to section 60-3,187
5 and shall cause a notice of the amount to be delivered to the registrant.
6 The notice may be delivered to the registrant at the address shown upon
7 his or her registration certificate or the registrant's most recent
8 address according to information received by the department from the
9 National Change of Address program of the United States Postal Service or
10 delivered electronically to the registrant if the registrant has provided
11 electronic contact information to the department. The notice shall be
12 provided on or before the first day of the last month of the registration
13 period.

14 (2)(a) The motor vehicle tax, motor vehicle fee, registration fee,
15 sales tax, and any other applicable taxes and fees shall be paid to the
16 county treasurer prior to the registration of the motor vehicle for the
17 following registration period. If the motor vehicle being registered has
18 been transferred as a gift or for a nominal amount, any sales tax owed by
19 the transferor on the purchase of the motor vehicle shall have been paid
20 or be paid to the county treasurer prior to the registration of the motor
21 vehicle for the following registration period.

22 (b) After retaining two ~~one~~ percent of the motor vehicle tax
23 proceeds collected for costs incurred by the county treasurer, and after
24 transferring one and three-tenths of one percent of the motor vehicle tax
25 proceeds collected to the State Treasurer for credit to the Vehicle Title
26 and Registration System Replacement and Maintenance Cash Fund, the
27 remaining motor vehicle tax proceeds shall be allocated to each county,
28 local school system, school district, city, and village in the tax
29 district in which the motor vehicle has situs.

30 (c)(i) Forty ~~Twenty-two~~ percent of the remaining motor vehicle tax
31 proceeds shall be allocated to the county, (ii) thirty-seven ~~sixty~~

1 percent shall be allocated to the local school system or school district,
 2 and (iii) ~~twenty-three~~ ~~eighteen~~ percent shall be allocated to the city or
 3 village, except that (A) if the tax district is not in a city or village,
 4 ~~sixty-three~~ ~~forty~~ percent shall be allocated to the county, and (B) in
 5 counties containing a city of the metropolitan class, ~~thirty-eight~~
 6 ~~eighteen~~ percent shall be allocated to the county and ~~twenty-five~~ ~~twenty-~~
 7 ~~two~~ percent shall be allocated to the city or village.

8 (d) The amount allocated to a local school system shall be
 9 distributed to school districts in the same manner as property taxes.

10 (3) Proceeds from the motor vehicle tax shall be treated as property
 11 tax revenue for purposes of expenditure limitations, matching of state or
 12 federal funds, and other purposes.

13 **Sec. 2.** Section 60-3,187, Reissue Revised Statutes of Nebraska, is
 14 amended to read:

15 60-3,187 (1) The motor vehicle tax schedules are set out in this
 16 section.

17 (2) The motor vehicle tax shall be calculated by multiplying the
 18 base tax times the fraction which corresponds to the age category of the
 19 vehicle as shown in the following table:

20	YEAR	FRACTION
21	First	1.00
22	<u>Second</u>	<u>0.80</u>
23	Second	0.90
24	<u>Third</u>	<u>0.60</u>
25	Third	0.80
26	<u>Fourth</u>	<u>0.50</u>
27	Fourth	0.70
28	<u>Fifth</u>	<u>0.40</u>
29	Fifth	0.60
30	<u>Sixth</u>	<u>0.35</u>
31	Sixth	0.51

1	<u>Seventh</u>	<u>0.30</u>
2	Seventh	0.42
3	<u>Eighth</u>	<u>0.25</u>
4	Eighth	0.33
5	<u>Ninth</u>	<u>0.20</u>
6	Ninth	0.24
7	<u>Tenth and Eleventh</u>	<u>0.13</u>
8	Tenth and Eleventh	0.15
9	<u>Twelfth and Thirteenth</u>	<u>0.05</u>
10	Twelfth and Thirteenth	0.07
11	<u>Fourteenth and older</u>	<u>0.01</u>
12	Fourteenth and older	0.00

13 (3) The base tax shall be:

14 (a) Automobiles, autocycles, and motorcycles – An amount determined
15 using the following table:

16	Value when new	Base tax
17	Up to \$3,999	\$ 25
18	\$4,000 to \$5,999	35
19	\$6,000 to \$7,999	45
20	\$8,000 to \$9,999	60
21	\$10,000 to \$11,999	100
22	\$12,000 to \$13,999	140
23	\$14,000 to \$15,999	180
24	\$16,000 to \$17,999	220
25	\$18,000 to \$19,999	260
26	\$20,000 to \$21,999	300
27	\$22,000 to \$23,999	340
28	\$24,000 to \$25,999	380
29	\$26,000 to \$27,999	420
30	\$28,000 to \$29,999	460

1	\$30,000 to \$31,999	500
2	\$32,000 to \$33,999	540
3	\$34,000 to \$35,999	580
4	\$36,000 to \$37,999	620
5	\$38,000 to \$39,999	660
6	\$40,000 to \$41,999	700
7	\$42,000 to \$43,999	740
8	\$44,000 to \$45,999	780
9	\$46,000 to \$47,999	820
10	\$48,000 to \$49,999	860
11	\$50,000 to \$51,999	900
12	\$52,000 to \$53,999	940
13	\$54,000 to \$55,999	980
14	\$56,000 to \$57,999	1,020
15	\$58,000 to \$59,999	1,060
16	\$60,000 to \$61,999	1,100
17	\$62,000 to \$63,999	1,140
18	\$64,000 to \$65,999	1,180
19	\$66,000 to \$67,999	1,220
20	\$68,000 to \$69,999	1,260
21	\$70,000 to \$71,999	1,300
22	\$72,000 to \$73,999	1,340
23	\$74,000 to \$75,999	1,380
24	\$76,000 to \$77,999	1,420
25	\$78,000 to \$79,999	1,460
26	\$80,000 to \$81,999	1,500
27	\$82,000 to \$83,999	1,540
28	\$84,000 to \$85,999	1,580
29	\$86,000 to \$87,999	1,620
30	\$88,000 to \$89,999	1,660

1	\$90,000 to \$91,999	1,700
2	\$92,000 to \$93,999	1,740
3	\$94,000 to \$95,999	1,780
4	\$96,000 to \$97,999	1,820
5	\$98,000 to \$99,999	1,860
6	<u>\$100,000 to \$101,999</u>	<u>1,900</u>
7	\$100,000 and over	<u>1,900</u>
8	<u>\$102,000 to \$103,999</u>	<u>1,940</u>
9	<u>\$104,000 to \$105,999</u>	<u>1,980</u>
10	<u>\$106,000 to \$107,999</u>	<u>2,020</u>
11	<u>\$108,000 to \$109,999</u>	<u>2,060</u>
12	<u>\$110,000 to \$111,999</u>	<u>2,100</u>
13	<u>\$112,000 to \$113,999</u>	<u>2,140</u>
14	<u>\$114,000 to \$115,999</u>	<u>2,180</u>
15	<u>\$116,000 to \$117,999</u>	<u>2,220</u>
16	<u>\$118,000 to \$119,999</u>	<u>2,260</u>
17	<u>\$120,000 to \$121,999</u>	<u>2,300</u>
18	<u>\$122,000 to \$123,999</u>	<u>2,340</u>
19	<u>\$124,000 to \$125,999</u>	<u>2,380</u>
20	<u>\$126,000 to \$127,999</u>	<u>2,420</u>
21	<u>\$128,000 to \$129,999</u>	<u>2,460</u>
22	<u>\$130,000 to \$131,999</u>	<u>2,500</u>
23	<u>\$132,000 to \$133,999</u>	<u>2,540</u>
24	<u>\$134,000 to \$135,999</u>	<u>2,580</u>
25	<u>\$136,000 to \$137,999</u>	<u>2,620</u>
26	<u>\$138,000 to \$139,999</u>	<u>2,660</u>
27	<u>\$140,000 to \$141,999</u>	<u>2,700</u>
28	<u>\$142,000 to \$143,999</u>	<u>2,740</u>
29	<u>\$144,000 to \$145,999</u>	<u>2,780</u>
30	<u>\$146,000 to \$147,999</u>	<u>2,820</u>

1	<u>\$148,000 to \$149,999</u>	<u>2,860</u>
2	<u>\$150,000 to \$151,999</u>	<u>2,900</u>
3	<u>\$152,000 to \$153,999</u>	<u>2,940</u>
4	<u>\$154,000 to \$155,999</u>	<u>2,980</u>
5	<u>\$156,000 to \$157,999</u>	<u>3,020</u>
6	<u>\$158,000 to \$159,999</u>	<u>3,060</u>
7	<u>\$160,000 to \$161,999</u>	<u>3,100</u>
8	<u>\$162,000 to \$163,999</u>	<u>3,140</u>
9	<u>\$164,000 to \$165,999</u>	<u>3,180</u>
10	<u>\$166,000 to \$167,999</u>	<u>3,220</u>
11	<u>\$168,000 to \$169,999</u>	<u>3,260</u>
12	<u>\$170,000 to \$171,999</u>	<u>3,300</u>
13	<u>\$172,000 to \$173,999</u>	<u>3,340</u>
14	<u>\$174,000 to \$175,999</u>	<u>3,380</u>
15	<u>\$176,000 to \$177,999</u>	<u>3,420</u>
16	<u>\$178,000 to \$179,999</u>	<u>3,460</u>
17	<u>\$180,000 to \$181,999</u>	<u>3,500</u>
18	<u>\$182,000 to \$183,999</u>	<u>3,540</u>
19	<u>\$184,000 to \$185,999</u>	<u>3,580</u>
20	<u>\$186,000 to \$187,999</u>	<u>3,620</u>
21	<u>\$188,000 to \$189,999</u>	<u>3,660</u>
22	<u>\$190,000 to \$191,999</u>	<u>3,700</u>
23	<u>\$192,000 to \$193,999</u>	<u>3,740</u>
24	<u>\$194,000 to \$195,999</u>	<u>3,780</u>
25	<u>\$196,000 to \$197,999</u>	<u>3,820</u>
26	<u>\$198,000 to \$199,999</u>	<u>3,860</u>
27	<u>\$200,000 and over</u>	<u>3,900</u>
28	(b) Assembled automobiles – \$60	
29	(c) Assembled motorcycles other than autocycles – \$25	
30	(d) Cabin trailers, up to one thousand pounds – \$10	

1 (e) Cabin trailers, one thousand pounds and over and less than two
2 thousand pounds – \$25

3 (f) Cabin trailers, two thousand pounds and over – \$40

4 (g) Recreational vehicles, less than eight thousand pounds – \$160

5 (h) Recreational vehicles, eight thousand pounds and over and less
6 than twelve thousand pounds – \$410

7 (i) Recreational vehicles, twelve thousand pounds and over – \$860

8 (j) Assembled recreational vehicles and buses shall follow the
9 schedules for body type and registered weight

10 (k) Trucks – Over seven tons and less than ten tons – \$360

11 (l) Trucks – Ten tons and over and less than thirteen tons – \$560

12 (m) Trucks – Thirteen tons and over and less than sixteen tons –
13 \$760

14 (n) Trucks – Sixteen tons and over and less than twenty-five tons –
15 \$960

16 (o) Trucks – Twenty-five tons and over – \$1,160

17 (p) Buses – \$360

18 (q) Trailers other than semitrailers – \$10

19 (r) Semitrailers – \$110

20 (s) Former military vehicles – \$50

21 (t) Minitrucks – \$50

22 (u) Low-speed vehicles – \$50

23 (4) For purposes of subsection (3) of this section, truck means all
24 trucks and combinations of trucks except those trucks, trailers, or
25 combinations thereof registered under section 60-3,198, and the tax is
26 based on the gross vehicle weight rating as reported by the manufacturer.

27 (5) Current model year vehicles are designated as first-year motor
28 vehicles for purposes of the schedules.

29 (6) When a motor vehicle is registered which is newer than the
30 current model year by the manufacturer's designation, the motor vehicle
31 is subject to the initial motor vehicle tax in the first registration

1 period and ninety-five percent of the initial motor vehicle tax in the
2 second registration period.

3 (7) Assembled cabin trailers, assembled recreational vehicles, and
4 assembled buses shall be designated as sixth-year motor vehicles in their
5 first year of registration for purposes of the schedules.

6 (8) When a motor vehicle is registered which is required to have a
7 title branded as previous salvage pursuant to section 60-174, the motor
8 vehicle tax shall be reduced by twenty-five percent.

9 **Sec. 3.** Section 60-3,190, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 60-3,190 (1) A motor vehicle fee is imposed on all motor vehicles
12 registered for operation in this state. An owner of a motor vehicle which
13 is exempt from the imposition of a motor vehicle tax pursuant to section
14 60-3,185 shall also be exempt from the imposition of the motor vehicle
15 fee imposed pursuant to this section.

16 (2) The department shall annually determine the motor vehicle fee on
17 each motor vehicle registered pursuant to this section and shall cause a
18 notice of the amount to be delivered to the registrant. The notice shall
19 be combined with the notice of the motor vehicle tax required by section
20 60-3,186.

21 (3) The motor vehicle fee schedules are set out in this subsection
22 and subsection (4) of this section. Except for automobiles with a value
23 when new of less than \$20,000, and for assembled, reconstructed-
24 designated, and replica-designated automobiles, the fee shall be
25 calculated by multiplying the base fee times the fraction which
26 corresponds to the age category of the automobile as shown in the
27 following table:

28	YEAR	FRACTION
29	First through fifth	1.00
30	Sixth through tenth	.70
31	Eleventh and over	.35

1 (4) The base fee shall be:

2 (a) Automobiles, with a value when new of less than \$20,000, and
3 assembled, reconstructed-designated, and replica-designated automobiles –
4 ~~\$20~~ \$5

5 (b) Automobiles, with a value when new of \$20,000 through \$39,999 –
6 ~~\$40~~ \$20

7 (c) Automobiles, with a value when new of \$40,000 or more – ~~\$60~~ \$30

8 (d) Motorcycles and autocycles – ~~\$20~~ \$10

9 (e) Recreational vehicles and cabin trailers – ~~\$60~~ \$10

10 (f) Trucks over seven tons and buses – ~~\$60, plus \$2 for each whole~~
11 ~~ton over seven tons~~ \$30

12 (g) Trailers other than semitrailers – ~~\$20~~ \$10

13 (h) Semitrailers – ~~\$60~~ \$30

14 (i) Former military vehicles – ~~\$20~~ \$10

15 (j) Minitrucks – ~~\$20~~ \$10

16 (k) Low-speed vehicles – ~~\$20~~ \$10.

17 (5) The motor vehicle tax, motor vehicle fee, and registration fee
18 shall be paid to the county treasurer prior to the registration of the
19 motor vehicle for the following registration period. After retaining two
20 ~~one~~ percent of the motor vehicle fee collected for costs, the remaining
21 proceeds shall be remitted to the State Treasurer for credit to the Motor
22 Vehicle Fee Fund. The State Treasurer shall return funds from the Motor
23 Vehicle Fee Fund remitted by a county treasurer which are needed for
24 refunds or credits authorized by law.

25 (6)(a) The Motor Vehicle Fee Fund is created. On or before the last
26 day of each calendar quarter, the State Treasurer shall distribute all
27 funds in the Motor Vehicle Fee Fund as follows: (i) Seventy ~~Fifty~~ percent
28 to the county treasurer of each county, amounts in the same proportion as
29 the most recent allocation received by each county from the Highway
30 Allocation Fund; and (ii) thirty ~~fifty~~ percent to the treasurer of each
31 municipality, amounts in the same proportion as the most recent

1 allocation received by each municipality from the Highway Allocation
2 Fund. Any money in the fund available for investment shall be invested by
3 the state investment officer pursuant to the Nebraska Capital Expansion
4 Act and the Nebraska State Funds Investment Act.

5 (b) Funds from the Motor Vehicle Fee Fund shall be considered local
6 revenue available for matching state sources.

7 (c) All receipts by counties and municipalities from the Motor
8 Vehicle Fee Fund shall be used for road, bridge, and street purposes.

9 (7) For purposes of subdivisions (4)(a), (b), (c), and (f) of this
10 section, automobiles or trucks includes all trucks and combinations of
11 trucks or truck-tractors, except those trucks, trailers, or semitrailers
12 registered under section 60-3,198, and the fee is based on the gross
13 vehicle weight rating as reported by the manufacturer.

14 (8) Current model year vehicles are designated as first-year motor
15 vehicles for purposes of the schedules.

16 (9) When a motor vehicle is registered which is newer than the
17 current model year by the manufacturer's designation, the motor vehicle
18 is subject to the initial motor vehicle fee for six registration periods.

19 (10) Assembled vehicles other than assembled, reconstructed-
20 designated, or replica-designated automobiles shall follow the schedules
21 for the motor vehicle body type.

22 **Sec. 4.** This act becomes operative on January 1, 2026.

23 **Sec. 5.** Original sections 60-3,186, 60-3,187, and 60-3,190, Reissue
24 Revised Statutes of Nebraska, are repealed.