

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 851**

Introduced by Hadley, 37.

Read first time January 13, 2014

Committee:

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend sections  
2 60-366, 60-367, 66-482, 77-2703.01, and 77-2793, Reissue  
3 Revised Statutes of Nebraska, sections 77-1030 and  
4 77-2709, Revised Statutes Cumulative Supplement, 2012,  
5 and sections 77-27,119 and 77-5735, Revised Statutes  
6 Supplement, 2013; to change provisions relating to  
7 nonresident owners under the Motor Vehicle Registration  
8 Act; to redefine a term; to provide for notice to the  
9 Department of Revenue under the Nebraska Advantage  
10 Transformational Tourism and Redevelopment Act; to change  
11 provisions relating to sales and use tax sourcing, notice  
12 of deficiency determinations, claims for credit or  
13 refund, disclosure of tax information, and applicability;  
14 to provide operative dates; to repeal the original  
15 sections; and to declare an emergency.

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

1           Section 1. Section 60-366, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           60-366 (1) Any nonresident owner who desires to register  
4 a motor vehicle or trailer in this state shall register in the county  
5 where the motor vehicle or trailer is domiciled or where the owner  
6 conducts a bona fide business.

7           (2) A nonresident owner, except as provided in ~~subsection~~  
8 subsections (3) and (4) of this section, owning any motor vehicle or  
9 trailer which has been properly registered in the state, country, or  
10 other place of which the owner is a resident, and which at all times,  
11 when operated or towed in this state, has displayed upon it the  
12 license plate or plates issued for such motor vehicle or trailer in  
13 the place of residence of such owner, may operate or permit the  
14 operation or tow or permit the towing of such motor vehicle or  
15 trailer within the state without registering such motor vehicle or  
16 trailer or paying any fees to this state.

17           (3) Any nonresident owner gainfully employed or present  
18 in this state, operating a motor vehicle or towing a trailer in this  
19 state, shall register such motor vehicle or trailer in the same  
20 manner as a Nebraska resident, after thirty days of continuous  
21 employment or presence in this state, unless the state of his or her  
22 legal residence grants immunity from such requirements to residents  
23 of this state operating a motor vehicle or towing a trailer in that  
24 state. Any nonresident owner who operates a motor vehicle or tows a  
25 trailer in this state for thirty or more continuous days shall

1 register such motor vehicle or trailer in the same manner as a  
2 Nebraska resident unless the state of his or her legal residence  
3 grants immunity from such requirements to residents of this state  
4 operating a motor vehicle or towing a trailer in that state.

5 (4)(a) The Department of Motor Vehicles or the Department  
6 of Revenue may determine (i) that a limited liability company,  
7 partnership, corporation, or other business entity that is organized  
8 under the laws of another state or country and that owns or holds  
9 title to a recreational vehicle is a shell company used to avoid  
10 proper registration of the recreational vehicle in this state and  
11 (ii) that the recreational vehicle is controlled by a Nebraska  
12 resident.

13 (b) Factors that the Department of Motor Vehicles or the  
14 Department of Revenue may consider to determine that the limited  
15 liability company, partnership, corporation, or other business entity  
16 is a shell company used to avoid proper registration of the  
17 recreational vehicle in this state include, but are not limited to:

18 (i) The limited liability company, partnership,  
19 corporation, or other business entity lacks a business activity or  
20 purpose;

21 (ii) The limited liability company, partnership,  
22 corporation, or other business entity does not maintain a physical  
23 location in this state;

24 (iii) The limited liability company, partnership,  
25 corporation, or other business entity does not employ individual

1 persons and provide those persons with Internal Revenue Service Form  
2 W-2 wage and tax statements; or

3 (iv) The limited liability company, partnership,  
4 corporation, or other business entity fails to file federal tax  
5 returns or fails to file a state tax return in this state.

6 (c) Factors that the Department of Motor Vehicles or the  
7 Department of Revenue may consider to determine that the recreational  
8 vehicle is controlled by a Nebraska resident include, but are not  
9 limited to:

10 (i) A Nebraska resident was the initial purchaser of the  
11 recreational vehicle;

12 (ii) A Nebraska resident operated or stored the  
13 recreational vehicle in this state for any period of time;

14 (iii) A Nebraska resident is a member, partner, or  
15 shareholder or is otherwise affiliated with the limited liability  
16 company, partnership, corporation, or other business entity purported  
17 to own the recreational vehicle; or

18 (iv) A Nebraska resident is insured to operate the  
19 recreational vehicle.

20 (d) If the Department of Motor Vehicles or the Department  
21 of Revenue makes the determinations described in subdivision (4)(a)  
22 of this section, there is a rebuttable presumption that:

23 (i) The Nebraska resident in control of the recreational  
24 vehicle is the actual owner of the recreational vehicle;

25 (ii) Such Nebraska resident is required to register the

1 recreational vehicle in this state and is liable for all motor  
2 vehicle taxes, motor vehicle fees, and registration fees as provided  
3 in the Motor Vehicle Registration Act; and

4 (iii) The purchase of the recreational vehicle is subject  
5 to sales or use tax under section 77-2703.

6 (e) The Department of Motor Vehicles or the Department of  
7 Revenue shall notify the Nebraska resident who is presumed to be the  
8 owner of the recreational vehicle that he or she is required to  
9 register the recreational vehicle in this state, pay any applicable  
10 taxes and fees for proper registration of the recreational vehicle  
11 under the Motor Vehicle Registration Act, and pay any applicable  
12 sales or use tax due on the purchase under the Nebraska Revenue Act  
13 of 1967 no later than thirty days after the date of the notice.

14 (f)(i) For a determination made by the Department of  
15 Motor Vehicles under this subsection, the Nebraska resident who is  
16 presumed to be the owner of the recreational vehicle may accept the  
17 determination and pay the county treasurer as shown in the notice, or  
18 he or she may dispute the determination and appeal the matter. Such  
19 appeal shall be filed with the Director of Motor Vehicles within  
20 thirty days after the date of the notice or the determination will be  
21 final. The director shall appoint a hearing officer who shall hear  
22 the appeal and issue a written decision. Such appeal shall be in  
23 accordance with the Administrative Procedure Act. Following a final  
24 determination in the appeal in favor of the Department of Motor  
25 Vehicles or if no further appeal is filed, the Nebraska resident

1 shall owe the taxes and fees determined to be due, together with any  
2 costs for the appeal assessed against the owner.

3 (ii) For a determination made by the Department of  
4 Revenue under this subsection, the Nebraska resident who is presumed  
5 to be the owner of the recreational vehicle may appeal the  
6 determination made by the Department of Revenue, and such appeal  
7 shall be in accordance with section 77-2709.

8 (g) If the Nebraska resident who is presumed to be the  
9 owner of the recreational vehicle fails to pay the motor vehicle  
10 taxes, motor vehicle fees, registration fees, or sales or use tax  
11 required to be paid under this subsection, he or she shall be  
12 assessed a penalty of fifty percent of such unpaid taxes and fees.  
13 Such penalty shall be remitted by the county treasurer or the  
14 Department of Revenue to the State Treasurer for credit to the  
15 Highway Trust Fund.

16 Sec. 2. Section 60-367, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18 60-367 ~~The~~ Except as otherwise provided in section  
19 60-366, the provisions of the Motor Vehicle Registration Act relative  
20 to registration and display of registration numbers do not apply to a  
21 motor vehicle or trailer owned by a nonresident of this state, other  
22 than a foreign corporation doing business in this state, if the owner  
23 thereof has complied with the provisions of the law of the foreign  
24 country, state, territory, or federal district of his or her  
25 residence relative to registration of motor vehicles or trailers and

1 the display of registration numbers thereon and conspicuously  
2 displays his or her registration numbers as required thereby.

3 Sec. 3. Section 66-482, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5 66-482 For purposes of sections 66-482 to 66-4,149:

6 (1) Motor vehicle shall have the same definition as in  
7 section 60-339;

8 (2) Motor vehicle fuel shall include all products and  
9 fuel commonly or commercially known as gasoline, including casing  
10 head or natural gasoline, and shall include any other liquid and such  
11 other volatile and inflammable liquids as may be produced,  
12 compounded, or used for the purpose of operating or propelling motor  
13 vehicles, motorboats, or aircraft or as an ingredient in the  
14 manufacture of such fuel. Agricultural ethyl alcohol produced for use  
15 as a motor vehicle fuel shall be considered a motor vehicle fuel.  
16 Motor vehicle fuel shall not include the products commonly known as  
17 methanol, kerosene oil, kerosene distillate, crude petroleum,  
18 naphtha, and benzine with a boiling point over two hundred degrees  
19 Fahrenheit, residuum gas oil, smudge oil, leaded automotive racing  
20 fuel with an American Society of Testing Materials research method  
21 octane number in excess of one hundred five, and any petroleum  
22 product with an initial boiling point under two hundred degrees  
23 Fahrenheit, a ninety-five percent distillation (recovery) temperature  
24 in excess of four hundred sixty-four degrees Fahrenheit, an American  
25 Society of Testing Materials research method octane number less than

1 seventy, and an end or dry point of distillation of five hundred  
2 seventy degrees Fahrenheit maximum;

3 (3) Agricultural ethyl alcohol shall mean ethyl alcohol  
4 produced from cereal grains or agricultural commodities grown within  
5 the continental United States and which is a finished product that is  
6 a nominally anhydrous ethyl alcohol meeting American Society for  
7 Testing and Materials D4806 standards. For the purpose of sections  
8 66-482 to 66-4,149, the purity of the ethyl alcohol shall be  
9 determined excluding denaturant and the volume of alcohol blended  
10 with gasoline for motor vehicle fuel shall include the volume of any  
11 denaturant required pursuant to law;

12 (4) Alcohol blend shall mean a blend of agricultural  
13 ethyl alcohol in gasoline or other motor vehicle fuel, such blend to  
14 contain not less than five percent by volume of alcohol;

15 (5) Supplier shall mean any person who owns motor fuels  
16 imported by barge, barge line, or pipeline and stored at a barge,  
17 barge line, or pipeline terminal in this state;

18 (6) Distributor shall mean any person who acquires  
19 ownership of motor fuels directly from a producer or supplier at or  
20 from a barge, barge line, pipeline terminal, or ethanol or biodiesel  
21 facility in this state;

22 (7) Wholesaler shall mean any person, other than a  
23 producer, supplier, distributor, or importer, who acquires motor  
24 fuels for resale;

25 (8) Retailer shall mean any person who acquires motor



1 fuels from a producer, supplier, distributor, wholesaler, or importer  
2 for resale to consumers of such fuel;

3 (9) Importer shall mean any person who owns motor fuels  
4 at the time such fuels enter the State of Nebraska by any means other  
5 than barge, barge line, or pipeline. Importer shall not include a  
6 person who imports motor fuels in a tank directly connected to the  
7 engine of a motor vehicle, train, watercraft, or airplane for  
8 purposes of providing fuel to the engine to which the tank is  
9 connected;

10 (10) Exporter shall mean any person who acquires  
11 ownership of motor fuels from any licensed producer, supplier,  
12 distributor, wholesaler, or importer exclusively for use or resale in  
13 another state;

14 (11) Gross gallons shall mean measured gallons without  
15 adjustment or correction for temperature or barometric pressure;

16 (12) Diesel fuel shall mean all combustible liquids and  
17 biodiesel which are suitable for the generation of power for diesel-  
18 powered vehicles, except that diesel fuel shall not include kerosene;

19 (13) Compressed fuel shall mean any fuel defined as  
20 compressed fuel in section 66-6,100;

21 (14) Person shall mean any individual, firm, partnership,  
22 limited liability company, company, agency, association, corporation,  
23 state, county, municipality, or other political subdivision. Whenever  
24 a fine or imprisonment is prescribed or imposed in sections 66-482 to  
25 66-4,149, the word person as applied to a partnership, a limited

1 liability company, or an association shall mean the partners or  
2 members thereof;

3 (15) Department shall mean the Motor Fuel Tax Enforcement  
4 and Collection Division of the Department of Revenue;

5 (16) Semiannual period shall mean either the period which  
6 begins on January 1 and ends on June 30 of each year or the period  
7 which begins on July 1 and ends on December 31 of each year;

8 (17) Producer shall mean any person who manufactures  
9 agricultural ethyl alcohol or biodiesel at an ethanol or biodiesel  
10 facility in this state;

11 (18) Highway shall mean every way or place generally open  
12 to the use of the public for the purpose of vehicular travel, even  
13 though such way or place may be temporarily closed or travel thereon  
14 restricted for the purpose of construction, maintenance, repair, or  
15 reconstruction;

16 (19) Kerosene shall mean kerosene meeting the  
17 specifications as found in the American Society for Testing and  
18 Materials publication D3699 entitled Standard Specifications for  
19 Kerosene;

20 (20) Biodiesel shall mean mono-alkyl esters of long chain  
21 fatty acids derived from vegetable oils or animal fats which conform  
22 to American Society for Testing and Materials D6751 specifications  
23 for use in diesel engines. Biodiesel refers to the pure fuel before  
24 blending with diesel fuel;

25 (21) Motor fuels shall mean motor vehicle fuel, diesel

1 fuel, aircraft fuel, or compressed fuel;

2 (22) Ethanol facility shall mean a plant which produces  
3 agricultural ethyl alcohol; and ~~under the provisions described in~~  
4 ~~section 66-1344; and~~

5 (23) Biodiesel facility shall mean a plant which produces  
6 biodiesel.

7 Sec. 4. Section 77-1030, Revised Statutes Cumulative  
8 Supplement, 2012, is amended to read:

9 77-1030 (1) In order to utilize the incentives set forth  
10 in the Nebraska Advantage Transformational Tourism and Redevelopment  
11 Act, the taxpayer shall file an application, on a form developed by  
12 an association of municipalities organized statewide, requesting an  
13 agreement.

14 (2) The application shall contain:

15 (a) A written statement describing the plan of employment  
16 and investment for a qualified business in this state;

17 (b) Sufficient documents, plans, and specifications as  
18 required by the municipality to support the plan and to define a  
19 project and a feasibility study. The plans shall include evidence  
20 that demonstrates that the project is feasible only with the  
21 incentives provided by the act;

22 (c) A nonrefundable application fee of two thousand five  
23 hundred dollars; and

24 (d) A timetable showing the expected local option sales  
25 tax refunds and what year they are expected to be claimed.

1           The application and all supporting information shall be  
2 confidential except for the name of the taxpayer, the location of the  
3 project, and the amounts of increased employment and investment.

4           (3) An application must be complete to establish the date  
5 of the application. An application shall be considered complete once  
6 it contains the items listed in subsection (2) of this section,  
7 regardless of the municipality's additional needs pertaining to  
8 information or clarification in order to approve or not approve the  
9 application.

10           (4) The municipality shall conduct an internal review of  
11 the feasibility study. If the municipality determines that the  
12 feasibility study demonstrates that the project can meet the  
13 requirements of the act, then the municipality shall conduct its own  
14 study with an independent third party, the cost of which shall be  
15 paid in full by the applicant. The cost of the study required under  
16 this subsection shall be in addition to the fee required under  
17 subsection (2) of this section. The purpose of the study is to verify  
18 or nullify the results of the feasibility study provided by the  
19 applicant. Additionally, the study shall examine the ability of the  
20 applicant to meet the requirements of the act. The study shall make a  
21 recommendation to the municipality on whether to proceed with the  
22 project or not.

23           (5) Once satisfied that the plan in the application  
24 defines a project consistent with the purposes stated in the Nebraska  
25 Advantage Transformational Tourism and Redevelopment Act in one or

1 more qualified business activities within this state, that the  
2 taxpayer and the plan will qualify for incentives under the act, and  
3 that the required levels of employment and investment for the project  
4 will be met prior to the end of the fourth year after the year in  
5 which the application was submitted, the municipality shall certify  
6 the application. Certification shall require approval by a majority  
7 vote by the members of the governing body of the municipality. A  
8 municipality shall notify the Department of Revenue of any  
9 application certified under this section on or before January 1  
10 immediately following such certification. For any application  
11 certified under this section prior to the operative date of this  
12 section, the certifying municipality shall notify the Department of  
13 Revenue of such application on or before January 1, 2015.

14 (6) After certification, the taxpayer and the  
15 municipality shall enter into a written agreement. The taxpayer shall  
16 agree to complete the project, and the municipality shall designate  
17 the approved plan of the taxpayer as a project and, in consideration  
18 of the taxpayer's agreement, agree to allow the taxpayer to use the  
19 incentives contained in the Nebraska Advantage Transformational  
20 Tourism and Redevelopment Act. The application, and all supporting  
21 documentation, to the extent approved, shall be considered a part of  
22 the agreement. The agreement shall state:

23 (a) The levels of employment and investment required by  
24 the act for the project;

25 (b) The time period under the act in which the required

1 levels must be met;

2 (c) The documentation the taxpayer will need to supply  
3 when claiming an incentive under the act;

4 (d) The date the application was filed; and

5 (e) A requirement that the company update the  
6 municipality annually on any changes in plans or circumstances which  
7 affect the timetable of local option sales tax refunds as set out in  
8 the application. If the company fails to comply with this  
9 requirement, the municipality may defer any pending local option  
10 sales tax refunds until the company does comply.

11 (7) A taxpayer and a municipality may enter into  
12 agreements for more than one project and may include more than one  
13 project in a single agreement. The projects may be either sequential  
14 or concurrent. A project may involve the same location as another  
15 project. No new employment or new investment shall be included in  
16 more than one project for either the meeting of the employment or  
17 investment requirements or the creation of incentives. When projects  
18 overlap and the plans do not clearly specify, then the taxpayer shall  
19 specify in which project the employment or investment belongs.

20 (8) The taxpayer may request that an agreement be  
21 modified if the modification is consistent with the purposes of the  
22 act and does not require a change in the description of the project.  
23 Once satisfied that the modification to the agreement is consistent  
24 with the purposes stated in the act, the municipality and taxpayer  
25 may amend the agreement.

1                   (9) The agreement shall include performance-based metrics  
2 to insure compliance with the act.

3                   Sec. 5. Section 77-2703.01, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5                   77-2703.01 (1) The determination of whether a sale or use  
6 of property or the provision of services is in this state, in a  
7 municipality that has adopted a tax under the Local Option Revenue  
8 Act, or in a county that has adopted a tax under section 13-319 shall  
9 be governed by the sourcing rules in sections 77-2703.01 to  
10 77-2703.04.

11                   (2) When the property or service is received by the  
12 purchaser at a business location of the retailer, the sale is sourced  
13 to that business location.

14                   (3) When the property or service is not received by the  
15 purchaser at a business location of the retailer, the sale is sourced  
16 to the location where receipt by the purchaser or the purchaser's  
17 donee, designated as such by the purchaser, occurs, including the  
18 location indicated by instructions for delivery to the purchaser or  
19 donee, known to the retailer.

20                   (4) When subsection (2) or (3) of this section does not  
21 apply, the sale is sourced to the location indicated by an address or  
22 other information for the purchaser that is available from the  
23 business records of the retailer that are maintained in the ordinary  
24 course of the retailer's business when use of this address does not  
25 constitute bad faith.

1           (5) When subsection (2), (3), or (4) of this section does  
2 not apply, the sale is sourced to the location indicated by an  
3 address for the purchaser obtained during the consummation of the  
4 sale, including the address of a purchaser's payment instrument, if  
5 no other address is available, when use of this address does not  
6 constitute bad faith.

7           (6) When subsection (2), (3), (4), or (5) of this section  
8 does not apply, including the circumstance in which the retailer is  
9 without sufficient information to apply the rules in any such  
10 subsection, then the location will be determined by the address from  
11 which property was shipped, from which the digital good was first  
12 available for transmission by the retailer, or from which the service  
13 was provided disregarding for these purposes any location that merely  
14 provided the digital transfer of the product sold.

15           (7) The lease or rental of tangible personal property,  
16 other than property identified in subsection (8) or (9) of this  
17 section, shall be sourced as follows:

18           (a) For a lease or rental that requires recurring  
19 periodic payments, the first periodic payment is sourced the same as  
20 a retail sale in accordance with the provisions of subsections (2)  
21 through (6) of this section. Periodic payments made subsequent to the  
22 first payment are sourced to the primary property location for each  
23 period covered by the payment. The primary property location shall be  
24 as indicated by an address for the property provided by the lessee  
25 that is available to the lessor from its records maintained in the



1 ordinary course of business when use of this address does not  
2 constitute bad faith. The property location shall not be altered by  
3 intermittent use at different locations, such as use of business  
4 property that accompanies employees on business trips and service  
5 calls; and

6 (b) For a lease or rental that does not require recurring  
7 periodic payments, the payment is sourced the same as a retail sale  
8 in accordance with the provisions of subsections (2) through (6) of  
9 this section.

10 This subsection does not affect the imposition or  
11 computation of sales or use tax on leases or rentals based on a lump-  
12 sum or accelerated basis or on the acquisition of property for lease.

13 (8) The lease or rental of motor vehicles, trailers,  
14 semitrailers, or aircraft that do not qualify as transportation  
15 equipment under subsection (9) of this section shall be sourced as  
16 follows:

17 (a) For a lease or rental that requires recurring  
18 periodic payments, each periodic payment is sourced to the primary  
19 property location. The primary property location shall be as  
20 indicated by an address for the property provided by the lessee that  
21 is available to the lessor from its records maintained in the  
22 ordinary course of business when use of this address does not  
23 constitute bad faith. This location shall not be altered by  
24 intermittent use at different locations; and

25 (b) For a lease or rental that does not require recurring

1 periodic payments, the payment is sourced the same as a retail sale  
2 in accordance with the provisions of subsections (2) through (6) of  
3 this section.

4 This subsection does not affect the imposition or  
5 computation of sales or use tax on leases or rentals based on a lump-  
6 sum or accelerated basis or on the acquisition of property for lease.

7 (9) The retail sale, including lease or rental, of  
8 transportation equipment shall be sourced the same as a retail sale  
9 in accordance with subsections (2) through (6) of this section.  
10 Transportation equipment means any of the following:

11 (a) Locomotives and railcars that are utilized for the  
12 carriage of persons or property in interstate commerce;

13 (b) Trucks and truck-tractors with a gross vehicle weight  
14 rating of ten thousand one pounds or greater, trailers, semitrailers,  
15 or passenger buses that are (i) registered through the International  
16 Registration Plan and (ii) operated under authority of a carrier  
17 authorized and certificated by the United States Department of  
18 Transportation or another federal authority to engage in the carriage  
19 of persons or property in interstate commerce;

20 (c) Aircraft operated by air carriers authorized and  
21 certificated by the United States Department of Transportation or  
22 another federal authority or a foreign authority to engage in the  
23 carriage of persons or property in interstate or foreign commerce;  
24 and

25 (d) Containers designed for use on and component parts

1 attached or secured on the items set forth in subdivisions (9)(a)  
2 through (c) of this section.

3 (10) For purposes of this section, receive and receipt  
4 mean taking possession of tangible personal property, making first  
5 use of services, or taking possession or making first use of digital  
6 goods, whichever comes first. The terms receive and receipt do not  
7 include possession by a shipping company on behalf of the purchaser.  
8 For purposes of sourcing detective services subject to tax under  
9 subdivision (4)(h) of section 77-2701.16, making first use of a  
10 service shall be deemed to be at the individual's residence, in the  
11 case of a customer who is an individual, or at the principal place of  
12 business, in the case of a business customer.

13 (11) The sale, not including lease or rental, of a motor  
14 vehicle, semitrailer, or trailer as defined in the Motor Vehicle  
15 Registration Act shall be sourced to the place of registration of the  
16 motor vehicle, semitrailer, or trailer for operation upon the  
17 highways of this state or, if no such registration has occurred, the  
18 place where such motor vehicle, semitrailer, or trailer is required  
19 to be registered.

20 (12) The sale or lease for one year or more of motorboats  
21 shall be sourced to the place of registration of the motorboat. The  
22 lease of motorboats for less than one year shall be sourced to the  
23 point of delivery.

24 Sec. 6. Section 77-2709, Revised Statutes Cumulative  
25 Supplement, 2012, is amended to read:

1                   77-2709 (1) If the Tax Commissioner is not satisfied with  
2 the return or returns of the tax or the amount of tax required to be  
3 paid to the state by any person, he or she may compute and determine  
4 the amount required to be paid upon the basis of the facts contained  
5 in the return or returns or upon the basis of any information within  
6 his or her possession or which may come into his or her possession.  
7 One or more deficiency determinations of the amount due for one or  
8 more than one period may be made. To the amount of the deficiency  
9 determination for each period shall be added a penalty equal to ten  
10 percent thereof or twenty-five dollars, whichever is greater. In  
11 making a determination, the Tax Commissioner may offset overpayments  
12 for a period or periods, together with interest on the overpayments,  
13 against underpayments for other period or periods, against penalties,  
14 and against the interest on the underpayments.

15                   The interest on underpayments and overpayments shall be  
16 computed in the manner set forth hereinafter.

17                   (2) If any person fails to make a return, the Tax  
18 Commissioner shall make an estimate of the amount of the gross  
19 receipts of the person or, as the case may be, of the amount of the  
20 total sales, rent, or lease price of property sold, rented, or leased  
21 or purchased, by the person, the storage, use, or consumption of  
22 which in this state is subject to the use tax. The estimate shall be  
23 made for the period or periods in respect to which the person failed  
24 to make a return and shall be based upon any information which is in  
25 the Tax Commissioner's possession or may come into his or her

1 possession. Upon the basis of this estimate, the Tax Commissioner  
2 shall compute and determine the amount required to be paid to the  
3 state, adding to the sum thus arrived at a penalty equal to ten  
4 percent thereof or twenty-five dollars, whichever is greater. One or  
5 more determinations may be made for one or more than one period.

6 (3) The amount of the determination of any deficiency  
7 exclusive of penalties shall bear interest at the rate specified in  
8 section 45-104.02, as such rate may from time to time be adjusted,  
9 from the twentieth of the month following the period for which the  
10 amount should have been returned until the date of payment.

11 (4) If any part of a deficiency for which a deficiency  
12 determination is made is the result of fraud or an intent to evade  
13 the Nebraska Revenue Act of 1967 or authorized rules and regulations,  
14 a penalty of twenty-five percent of the amount of the determination  
15 or fifty dollars, whichever is greater, shall be added thereto.

16 (5)(a) Promptly after making his or her determination,  
17 the Tax Commissioner shall give to the person written notice of his  
18 or her determination.

19 (b) The notice may be served personally or by mail, and  
20 if by mail the notice shall be addressed to the person at his or her  
21 address as it appears in the records of the Tax Commissioner. In case  
22 of service by mail of any notice required by the Nebraska Revenue Act  
23 of 1967, the service is complete at the time of deposit in the United  
24 States post office.

25 (c) Every notice of a deficiency determination shall be

1 personally served or mailed within three years after the last day of  
2 the calendar month following the period for which the amount is  
3 proposed to be determined or within three years after the return is  
4 filed, whichever period expires the later. In the case of ~~failure~~  
5 person failing to make a return, filing a false or fraudulent return  
6 with the intent to evade the sales or use tax, or omitting from a  
7 return an amount properly includable therein which is in excess of  
8 twenty-five percent of the amount of tax stated in the return, every  
9 notice of determination shall be mailed or personally served within  
10 ~~five~~ six years after the last day of the calendar month following the  
11 period for which the amount is proposed to be determined.

12 (d) When, before the expiration of the time prescribed in  
13 this section for the mailing of a notice of deficiency determination,  
14 both the Tax Commissioner and the taxpayer have consented in writing  
15 to its mailing after such time, the notice of the deficiency  
16 determination may be mailed at any time prior to the expiration of  
17 the period agreed upon. The agreed-upon period may be extended by  
18 subsequent agreement, in writing, made before the expiration of the  
19 period previously agreed upon.

20 (6) When a business is discontinued, a determination may  
21 be made at any time thereafter within the periods specified in this  
22 section as to liability arising out of that business, irrespective of  
23 whether the determination is issued prior to the due date of the  
24 liability as otherwise specified in the Nebraska Revenue Act of 1967.

25 (7) Any person against whom a determination is made under

1 subsections (1) and (2) of this section or any person directly  
2 interested may petition for a redetermination within sixty days after  
3 service upon the person of notice thereof. For the purposes of this  
4 subsection, a person is directly interested in a deficiency  
5 determination when such deficiency could be collected from such  
6 person. If a petition for redetermination is not filed within the  
7 sixty-day period, the determination becomes final at the expiration  
8 of the period.

9 (8) If a petition for redetermination is filed within the  
10 sixty-day period, the Tax Commissioner shall reconsider the  
11 determination and, if the person has so requested in his or her  
12 petition, shall grant the person an oral hearing and shall give him  
13 or her ten days' notice of the time and place of the hearing. The Tax  
14 Commissioner may continue the hearing from time to time as may be  
15 necessary.

16 (9) The Tax Commissioner may decrease or increase the  
17 amount of the determination before it becomes final, but the amount  
18 may be increased only if a claim for the increase is asserted by the  
19 Tax Commissioner at or before the hearing, upon which assertion the  
20 petitioner shall be entitled to a thirty-day continuance of the  
21 hearing to allow him or her to obtain and produce further evidence  
22 applicable to the items upon which the increase is based.

23 (10) The order or decision of the Tax Commissioner upon a  
24 petition for redetermination shall become final thirty days after  
25 service upon the petitioner of notice thereof.

1           (11) All determinations made by the Tax Commissioner  
2 under the provisions of subsections (1) and (2) of this section are  
3 due and payable at the time they become final. If they are not paid  
4 when due and payable, a penalty of ten percent of the amount of the  
5 determination, exclusive of interest and penalties, shall be added  
6 thereto.

7           (12) Any notice required by this section shall be served  
8 personally or by mail in the manner prescribed in subsection (5) of  
9 this section.

10           Sec. 7. Section 77-2793, Reissue Revised Statutes of  
11 Nebraska, is amended to read:

12           77-2793 (1) A claim for credit or refund of an  
13 overpayment of any income tax imposed by the Nebraska Revenue Act of  
14 1967 shall be filed by the taxpayer within three years from the time  
15 the return was filed or two years from the time the tax was paid,  
16 whichever of such periods expires later. A claim for credit or refund  
17 of a refundable credit shall be filed by the taxpayer within three  
18 years after the due date of the return for the year in which the  
19 refundable credit was allowable. No credit or refund shall be allowed  
20 or made after the expiration of the period of limitation prescribed  
21 in this subsection for the filing of a claim for credit or refund  
22 unless a claim for credit or refund is filed by the taxpayer within  
23 such period.

24           (2) If ~~the~~ a claim for credit or refund of an overpayment  
25 or for credit or refund of a refundable credit is filed by the



1 taxpayer during the applicable three-year period prescribed in  
2 subsection (1) of this section, the amount of the credit or refund  
3 shall not exceed the portion of the tax paid or any refundable credit  
4 allowable within the three years immediately preceding the filing of  
5 the claim plus the period of any extension of time for filing the  
6 return if such return was filed prior to the end of the extension of  
7 time. If ~~the~~ a claim for credit or refund of an overpayment is not  
8 filed within ~~such~~ the three-year period prescribed in subsection (1)  
9 of this section, but is filed within the two-year period prescribed  
10 in subsection (1) of this section, the amount of the credit or refund  
11 shall not exceed the portion of the tax paid during the two years  
12 immediately preceding the filing of the claim. If no claim is filed,  
13 the credit or refund shall not exceed the amount which would be  
14 allowable under either of the preceding sentences, as the case may  
15 be, if a claim was filed on the date the credit or refund is allowed.

16 (3) If an agreement for an extension of the period for  
17 assessment of income taxes is made within the period prescribed in  
18 subsection (1) of this section for the filing of a claim for credit  
19 or refund, the period for filing claim for credit or for making  
20 credit or refund if no claim is filed shall not expire prior to six  
21 months after the expiration of the period within which an assessment  
22 may be made pursuant to the agreement or any extension thereof.

23 (4) If a taxpayer is required by subsection (1) of  
24 section 77-2775 to report a change or correction in federal adjusted  
25 gross income, taxable income, or tax liability reported on his or her

1 federal income tax return, or to report a change or correction which  
2 is treated in the same manner as if it were an overpayment for  
3 federal income tax purposes, or to file an amended return with the  
4 Tax Commissioner, a claim for credit or refund of any resulting  
5 overpayment of tax shall be filed by the taxpayer within two years  
6 from the time the notice of such change or correction or such amended  
7 return was required to be filed with the Tax Commissioner. If the  
8 report or amended return is not filed within the sixty-day period  
9 specified in such subsection, interest on any resulting refund or  
10 credit shall cease to accrue after such sixtieth day. The amount of  
11 such credit or refund shall not exceed the amount of the reduction in  
12 tax attributable to such federal change, correction, or items amended  
13 on the taxpayer's amended federal income tax return. This subsection  
14 shall not affect the time within which or the amount for which a  
15 claim for credit or refund may be filed apart from this subsection.

16 (5)(a) If a taxpayer is required by subsection (2) of  
17 section 77-2775 to report a change or correction in the amount of  
18 income taxable or tax credit allowable in one or more states and such  
19 changes or corrections when reflected in the return filed under the  
20 Nebraska Revenue Act of 1967 as most recently amended would result in  
21 an overpayment of tax, a claim for credit or refund shall be filed by  
22 the taxpayer within the earlier of (i) two years from the time the  
23 notice of such change or correction or such amended return was  
24 required to be filed with the Tax Commissioner or (ii) ten years from  
25 the due date of the return.

1           (b) If the report or amended return is not filed within  
2 the sixty-day period specified in such subsection, interest on any  
3 resulting refund or credit shall cease to accrue after such sixtieth  
4 day. The amount of such credit or refund shall not exceed the lesser  
5 of (i) the reduction in tax attributable to the change or correction  
6 in the amount of income taxable or the credit allowable in such other  
7 state in the return filed under the Nebraska Revenue Act of 1967 or  
8 (ii) the increase in tax actually paid to such other state or states.

9           (c) This subsection shall not affect the time within  
10 which or the amount for which a claim for credit or refund may be  
11 filed apart from this subsection. This subsection shall apply to  
12 changes or corrections which become final on or after May 1, 1993.

13           (6) If the claim for credit or refund relates to an  
14 overpayment attributable to a net operating loss carryback derived  
15 from or connected with Nebraska sources, the claim may be made under  
16 rules and regulations prescribed by the Tax Commissioner consistent,  
17 to the extent possible under the Nebraska Revenue Act of 1967, with  
18 the laws of the United States.

19           (7) For purposes of this section and section 77-2795, a  
20 timely filed petition for redetermination shall be considered a claim  
21 for credit or refund filed on the date the notice of deficiency  
22 determination was mailed.

23           Sec. 8. Section 77-27,119, Revised Statutes Supplement,  
24 2013, is amended to read:

25           77-27,119 (1) The Tax Commissioner shall administer and

1 enforce the income tax imposed by sections 77-2714 to 77-27,135, and  
2 he or she is authorized to conduct hearings, to adopt and promulgate  
3 such rules and regulations, and to require such facts and information  
4 to be reported as he or she may deem necessary to enforce the income  
5 tax provisions of such sections, except that such rules, regulations,  
6 and reports shall not be inconsistent with the laws of this state or  
7 the laws of the United States. The Tax Commissioner may for  
8 enforcement and administrative purposes divide the state into a  
9 reasonable number of districts in which branch offices may be  
10 maintained.

11 (2)(a) The Tax Commissioner may prescribe the form and  
12 contents of any return or other document required to be filed under  
13 the income tax provisions. Such return or other document shall be  
14 compatible as to form and content with the return or document  
15 required by the laws of the United States. The form shall have a  
16 place where the taxpayer shall designate the high school district in  
17 which he or she lives and the county in which the high school  
18 district is headquartered. The Tax Commissioner shall adopt and  
19 promulgate such rules and regulations as may be necessary to insure  
20 compliance with this requirement.

21 (b) The State Department of Education, with the  
22 assistance and cooperation of the Department of Revenue, shall  
23 develop a uniform system for numbering all school districts in the  
24 state. Such system shall be consistent with the data processing needs  
25 of the Department of Revenue and shall be used for the school

1 district identification required by subdivision (a) of this  
2 subsection.

3 (c) The proper filing of an income tax return shall  
4 consist of the submission of such form as prescribed by the Tax  
5 Commissioner or an exact facsimile thereof with sufficient  
6 information provided by the taxpayer on the face of the form from  
7 which to compute the actual tax liability. Each taxpayer shall  
8 include such taxpayer's correct social security number or state  
9 identification number and the school district identification number  
10 of the school district in which the taxpayer resides on the face of  
11 the form. A filing is deemed to occur when the required information  
12 is provided.

13 (3) The Tax Commissioner, for the purpose of ascertaining  
14 the correctness of any return or other document required to be filed  
15 under the income tax provisions, for the purpose of determining  
16 corporate income, individual income, and withholding tax due, or for  
17 the purpose of making an estimate of taxable income of any person,  
18 shall have the power to examine or to cause to have examined, by any  
19 agent or representative designated by him or her for that purpose,  
20 any books, papers, records, or memoranda bearing upon such matters  
21 and may by summons require the attendance of the person responsible  
22 for rendering such return or other document or remitting any tax, or  
23 any officer or employee of such person, or the attendance of any  
24 other person having knowledge in the premises, and may take testimony  
25 and require proof material for his or her information, with power to

1 administer oaths or affirmations to such person or persons.

2 (4) The time and place of examination pursuant to this  
3 section shall be such time and place as may be fixed by the Tax  
4 Commissioner and as are reasonable under the circumstances. In the  
5 case of a summons, the date fixed for appearance before the Tax  
6 Commissioner shall not be less than twenty days from the time of  
7 service of the summons.

8 (5) No taxpayer shall be subjected to unreasonable or  
9 unnecessary examinations or investigations.

10 (6) Except in accordance with proper judicial order or as  
11 otherwise provided by law, it shall be unlawful for the Tax  
12 Commissioner, any officer or employee of the Tax Commissioner, any  
13 person engaged or retained by the Tax Commissioner on an independent  
14 contract basis, any person who pursuant to this section is permitted  
15 to inspect any report or return or to whom a copy, an abstract, or a  
16 portion of any report or return is furnished, any employee of the  
17 State Treasurer or the Department of Administrative Services, or any  
18 other person to divulge, make known, or use in any manner the amount  
19 of income or any particulars set forth or disclosed in any report or  
20 return required except for the purpose of enforcing sections 77-2714  
21 to 77-27,135. The officers charged with the custody of such reports  
22 and returns shall not be required to produce any of them or evidence  
23 of anything contained in them in any action or proceeding in any  
24 court, except on behalf of the Tax Commissioner in an action or  
25 proceeding under the provisions of the tax law to which he or she is

1 a party or on behalf of any party to any action or proceeding under  
2 such sections when the reports or facts shown thereby are directly  
3 involved in such action or proceeding, in either of which events the  
4 court may require the production of, and may admit in evidence, so  
5 much of such reports or of the facts shown thereby as are pertinent  
6 to the action or proceeding and no more. Nothing in this section  
7 shall be construed (a) to prohibit the delivery to a taxpayer, his or  
8 her duly authorized representative, or his or her successors,  
9 receivers, trustees, personal representatives, administrators,  
10 assignees, or guarantors, if directly interested, of a certified copy  
11 of any return or report in connection with his or her tax, (b) to  
12 prohibit the publication of statistics so classified as to prevent  
13 the identification of particular reports or returns and the items  
14 thereof, (c) to prohibit the inspection by the Attorney General,  
15 other legal representatives of the state, or a county attorney of the  
16 report or return of any taxpayer who brings an action to review the  
17 tax based thereon, against whom an action or proceeding for  
18 collection of tax has been instituted, or against whom an action,  
19 proceeding, or prosecution for failure to comply with the Nebraska  
20 Revenue Act of 1967 is being considered or has been commenced, (d) to  
21 prohibit furnishing to the Nebraska Workers' Compensation Court the  
22 names, addresses, and identification numbers of employers, and such  
23 information shall be furnished on request of the court, (e) to  
24 prohibit the disclosure of information and records to a collection  
25 agency contracting with the Tax Commissioner pursuant to sections

1 77-377.01 to 77-377.04, (f) to prohibit the disclosure of information  
2 pursuant to section 77-27,195, 77-4110, or 77-5731, (g) to prohibit  
3 the disclosure to the Public Employees Retirement Board of the  
4 addresses of individuals who are members of the retirement systems  
5 administered by the board, and such information shall be furnished to  
6 the board solely for purposes of its administration of the retirement  
7 systems upon written request, which request shall include the name  
8 and social security number of each individual for whom an address is  
9 requested, (h) to prohibit the disclosure of information to the  
10 Department of Labor necessary for the administration of the  
11 Employment Security Law, the Contractor Registration Act, or the  
12 Employee Classification Act, (i) to prohibit the disclosure to the  
13 Department of Motor Vehicles of tax return information pertaining to  
14 individuals, corporations, and businesses determined by the  
15 Department of Motor Vehicles to be delinquent in the payment of  
16 amounts due under agreements pursuant to the International Fuel Tax  
17 Agreement Act, and such disclosure shall be strictly limited to  
18 information necessary for the administration of the act, ~~or~~-(j) to  
19 prohibit the disclosure under section 42-358.08, 43-512.06, or  
20 43-3327 to any court-appointed individuals, the county attorney, any  
21 authorized attorney, or the Department of Health and Human Services  
22 of an absent parent's address, social security number, amount of  
23 income, health insurance information, and employer's name and address  
24 for the exclusive purpose of establishing and collecting child,  
25 spousal, or medical support, or (k) to prohibit the disclosure to the



1 Department of Insurance of information pertaining to authorization  
2 for, and use of, tax credits under the New Markets Job Growth  
3 Investment Act. Information so obtained shall be used for no other  
4 purpose. Any person who violates this subsection shall be guilty of a  
5 felony and shall upon conviction thereof be fined not less than one  
6 hundred dollars nor more than five hundred dollars, or be imprisoned  
7 not more than five years, or be both so fined and imprisoned, in the  
8 discretion of the court and shall be assessed the costs of  
9 prosecution. If the offender is an officer or employee of the state,  
10 he or she shall be dismissed from office and be ineligible to hold  
11 any public office in this state for a period of two years thereafter.

12 (7) Reports and returns required to be filed under income  
13 tax provisions of sections 77-2714 to 77-27,135 shall be preserved  
14 until the Tax Commissioner orders them to be destroyed.

15 (8) Notwithstanding the provisions of subsection (6) of  
16 this section, the Tax Commissioner may permit the Secretary of the  
17 Treasury of the United States or his or her delegates or the proper  
18 officer of any state imposing an income tax, or the authorized  
19 representative of either such officer, to inspect the income tax  
20 returns of any taxpayer or may furnish to such officer or his or her  
21 authorized representative an abstract of the return of income of any  
22 taxpayer or supply him or her with information concerning an item of  
23 income contained in any return or disclosed by the report of any  
24 investigation of the income or return of income of any taxpayer, but  
25 such permission shall be granted only if the statutes of the United

1 States or of such other state, as the case may be, grant  
2 substantially similar privileges to the Tax Commissioner of this  
3 state as the officer charged with the administration of the income  
4 tax imposed by sections 77-2714 to 77-27,135.

5 (9) Notwithstanding the provisions of subsection (6) of  
6 this section, the Tax Commissioner may permit the Postal Inspector of  
7 the United States Postal Service or his or her delegates to inspect  
8 the reports or returns of any person filed pursuant to the Nebraska  
9 Revenue Act of 1967 when information on the reports or returns is  
10 relevant to any action or proceeding instituted or being considered  
11 by the United States Postal Service against such person for the  
12 fraudulent use of the mails to carry and deliver false and fraudulent  
13 tax returns to the Tax Commissioner with the intent to defraud the  
14 State of Nebraska or to evade the payment of Nebraska state taxes.

15 (10)(a) Notwithstanding the provisions of subsection (6)  
16 of this section, the Tax Commissioner shall, upon written request by  
17 the Auditor of Public Accounts or the Legislative Performance Audit  
18 Committee, make tax returns and tax return information open to  
19 inspection by or disclosure to officers and employees of the Auditor  
20 of Public Accounts or employees of the office of Legislative Audit  
21 for the purpose of and to the extent necessary in making an audit of  
22 the Department of Revenue pursuant to section 50-1205 or 84-304. The  
23 Auditor of Public Accounts or office of Legislative Audit shall  
24 statistically and randomly select the tax returns and tax return  
25 information to be audited based upon a computer tape provided by the

1 Department of Revenue which contains only total population documents  
2 without specific identification of taxpayers. The Tax Commissioner  
3 shall have the authority to approve the statistical sampling method  
4 used by the Auditor of Public Accounts or office of Legislative  
5 Audit. Confidential tax returns and tax return information shall be  
6 audited only upon the premises of the Department of Revenue. All  
7 audit workpapers pertaining to the audit of the Department of Revenue  
8 shall be stored in a secure place in the Department of Revenue.

9 (b) No officer or employee of the Auditor of Public  
10 Accounts or office of Legislative Audit employee shall disclose to  
11 any person, other than another officer or employee of the Auditor of  
12 Public Accounts or office of Legislative Audit whose official duties  
13 require such disclosure or as provided in subsections (2) and (3) of  
14 section 50-1213, any return or return information described in the  
15 Nebraska Revenue Act of 1967 in a form which can be associated with  
16 or otherwise identify, directly or indirectly, a particular taxpayer.

17 (c) Any person who violates the provisions of this  
18 subsection shall be guilty of a Class IV felony and, in the  
19 discretion of the court, may be assessed the costs of prosecution.  
20 The guilty officer or employee shall be dismissed from employment and  
21 be ineligible to hold any position of employment with the State of  
22 Nebraska for a period of two years thereafter. For purposes of this  
23 subsection, officer or employee shall include a former officer or  
24 employee of the Auditor of Public Accounts or former employee of the  
25 office of Legislative Audit.

1                   (11) For purposes of subsections (10) through (13) of  
2 this section:

3                   (a) Tax returns shall mean any tax or information return  
4 or claim for refund required by, provided for, or permitted under  
5 sections 77-2714 to 77-27,135 which is filed with the Tax  
6 Commissioner by, on behalf of, or with respect to any person and any  
7 amendment or supplement thereto, including supporting schedules,  
8 attachments, or lists which are supplemental to or part of the filed  
9 return;

10                   (b) Return information shall mean:

11                   (i) A taxpayer's identification number and (A) the  
12 nature, source, or amount of his or her income, payments, receipts,  
13 deductions, exemptions, credits, assets, liabilities, net worth, tax  
14 liability, tax withheld, deficiencies, overassessments, or tax  
15 payments, whether the taxpayer's return was, is being, or will be  
16 examined or subject to other investigation or processing or (B) any  
17 other data received by, recorded by, prepared by, furnished to, or  
18 collected by the Tax Commissioner with respect to a return or the  
19 determination of the existence or possible existence of liability or  
20 the amount of liability of any person for any tax, penalty, interest,  
21 fine, forfeiture, or other imposition or offense; and

22                   (ii) Any part of any written determination or any  
23 background file document relating to such written determination; and

24                   (c) Disclosures shall mean the making known to any person  
25 in any manner a return or return information.

1                   (12) The Auditor of Public Accounts or the Legislative  
2 Auditor shall (a) notify the Tax Commissioner in writing thirty days  
3 prior to the beginning of an audit of his or her intent to conduct an  
4 audit, (b) provide an audit plan, and (c) provide a list of the tax  
5 returns and tax return information identified for inspection during  
6 the audit.

7                   (13) The Auditor of Public Accounts or the office of  
8 Legislative Audit shall, as a condition for receiving tax returns and  
9 tax return information: (a) Subject employees involved in the audit  
10 to the same confidential information safeguards and disclosure  
11 procedures as required of Department of Revenue employees; (b)  
12 establish and maintain a permanent system of standardized records  
13 with respect to any request for tax returns or tax return  
14 information, the reason for such request, and the date of such  
15 request and any disclosure of the tax return or tax return  
16 information; (c) establish and maintain a secure area or place in the  
17 Department of Revenue in which the tax returns, tax return  
18 information, or audit workpapers shall be stored; (d) restrict access  
19 to the tax returns or tax return information only to persons whose  
20 duties or responsibilities require access; (e) provide such other  
21 safeguards as the Tax Commissioner determines to be necessary or  
22 appropriate to protect the confidentiality of the tax returns or tax  
23 return information; (f) provide a report to the Tax Commissioner  
24 which describes the procedures established and utilized by the  
25 Auditor of Public Accounts or office of Legislative Audit for

1 insuring the confidentiality of tax returns, tax return information,  
2 and audit workpapers; and (g) upon completion of use of such returns  
3 or tax return information, return to the Tax Commissioner such  
4 returns or tax return information, along with any copies.

5 (14) The Tax Commissioner may permit other tax officials  
6 of this state to inspect the tax returns and reports filed under  
7 sections 77-2714 to 77-27,135, but such inspection shall be permitted  
8 only for purposes of enforcing a tax law and only to the extent and  
9 under the conditions prescribed by the rules and regulations of the  
10 Tax Commissioner.

11 (15) The Tax Commissioner shall compile the school  
12 district information required by subsection (2) of this section.  
13 Insofar as it is possible, such compilation shall include, but not be  
14 limited to, the total adjusted gross income of each school district  
15 in the state. The Tax Commissioner shall adopt and promulgate such  
16 rules and regulations as may be necessary to insure that such  
17 compilation does not violate the confidentiality of any individual  
18 income tax return nor conflict with any other provisions of state or  
19 federal law.

20 Sec. 9. Section 77-5735, Revised Statutes Supplement,  
21 2013, is amended to read:

22 77-5735 (1) The changes made in sections 77-5703,  
23 77-5708, 77-5712, 77-5714, 77-5715, 77-5723, 77-5725, 77-5726,  
24 77-5727, and 77-5731 by Laws 2008, LB895, and sections 77-5707.01,  
25 77-5719.01, and 77-5719.02 apply to all applications filed on and

1 after April 18, 2008. For all applications filed prior to such date,  
2 the provisions of the Nebraska Advantage Act as they existed  
3 immediately prior to such date apply.

4 (2) The changes made in sections 77-5725 and 77-5726 by  
5 Laws 2010, LB879, apply to all applications filed on or after July  
6 15, 2010. For all applications filed prior to such date, the taxpayer  
7 may make a one-time election, within the time period prescribed by  
8 the Tax Commissioner, to have the changes made in sections 77-5725  
9 and 77-5726 by Laws 2010, LB879, apply to such taxpayer's  
10 application, or in the absence of such an election, the provisions of  
11 the Nebraska Advantage Act as they existed immediately prior to July  
12 15, 2010, apply to such application.

13 (3) The changes made in sections 77-5707, 77-5715,  
14 77-5719, and 77-5725 by Laws 2010, LB918, apply to all applications  
15 filed on or after July 15, 2010. For all applications filed prior to  
16 such date, the provisions of the Nebraska Advantage Act as they  
17 existed immediately prior to such date apply.

18 (4) The changes made in sections 77-5701, 77-5703,  
19 77-5705, 77-5715, 77-5723, 77-5725, 77-5726, and 77-5727 by Laws  
20 2012, LB1118, apply to all applications filed on or after March 8,  
21 2012. For all applications filed prior to such date, the provisions  
22 of the Nebraska Advantage Act as they existed immediately prior to  
23 such date apply.

24 (5) The changes made in sections 77-5707.01, 77-5709,  
25 77-5712, 77-5719, 77-5720, 77-5723, and 77-5726, ~~and 77-5731~~ by Laws

1 2013, LB34, apply to all applications filed on or after September 6,  
2 2013. For all applications filed prior to such date, the provisions  
3 of the Nebraska Advantage Act as they existed immediately prior to  
4 such date apply.

5           Sec. 10. Sections 3, 4, 7, 8, and 12 of this act become  
6 operative three calendar months after the adjournment of this  
7 legislative session. Sections 1, 2, 5, 6, and 13 of this act become  
8 operative on October 1, 2014. The other sections of this act become  
9 operative on their effective date.

10           Sec. 11. Original section 77-5735, Revised Statutes  
11 Supplement, 2013, is repealed.

12           Sec. 12. Original sections 66-482 and 77-2793, Reissue  
13 Revised Statutes of Nebraska, section 77-1030, Revised Statutes  
14 Cumulative Supplement, 2012, and section 77-27,119, Revised Statutes  
15 Supplement, 2013, are repealed.

16           Sec. 13. Original sections 60-366, 60-367, and  
17 77-2703.01, Reissue Revised Statutes of Nebraska, and section  
18 77-2709, Revised Statutes Cumulative Supplement, 2012, are repealed.

19           Sec. 14. Since an emergency exists, this act takes effect  
20 when passed and approved according to law.