

NEBRASKA

Good Life. Great Service.

DEPARTMENT OF REVENUE

Nebraska Sales and Use Tax

General Information 2018

Effective through
October 13,
2018

revenue.nebraska.gov

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This guidance document is advisory in nature but is binding on the Nebraska Department of Revenue (Department) until amended. A guidance document does not include internal procedural documents that only affect the internal operations of the Department and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.

This guidance document may change with updated information or added examples. If this guidance document has been provided in print as part of a presentation given by Department staff, it is meant to accompany the verbal presentation. Consult the Department's website at revenue.nebraska.gov to view the most current information and sign up for our free subscription service to get updates on your topics of interest.

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- Receive notification of changes to our website using the **free** web-based email subscription system.
- Set up a **profile** – enter your email address, optional password, and select the topics of interest.
- You can change your **profile** at any time by adding or deleting topics, changing the frequency of email alerts, or changing your email address.
- No special software – all you need is a valid email address and an Internet browser!

Try it out!

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The screenshot displays the Nebraska Department of Revenue website. At the top, there is a navigation bar with links for Home, About Us, Contact Us, Site, Language, and Site Map. Below this is a search bar and a main navigation menu with categories: Property Assessment, Motor Fuels, Charitable Gaming, and Nebraska Lottery. The main content area is titled "Nebraska Department of Revenue" and features a "Subscribe" button. Below the button, there are several sections: "Online Services" with links for "File/Pay Your Return", "Make a Payment Only", and "Where's My Refund?"; "Currently Featured" with links for "Online Business Registration Information", "Individual Income Tax Refund Information", "Register a Business", "Request a Payment Plan", and "Software Developers Tax Preparers"; "Videos" with links for "Online Business Registration Information", "Individual Income Tax Refund Information", and "Getting Familiar with the Department's Website"; and "Specific Tax Info" with links for "Business Income Tax", "Cigarettes/Other Tobacco Products", "Individual Income Tax", "Use Tax for Individuals", "Nebraska & County Lodging Tax", "Occupation Taxes", "Sales and Use Tax", and "Income Tax Withholding". There is also an "Items of Interest" section with links for "Compliance and Enforcement", "Construction Contractors", "Household Exemptions", "How to Start or Close Your Business", "Local Government Information", "Major Legislative Changes", "Market-Based Sourcing", "Nonresident Capacity Tax", "Nebraska Affordable Housing Tax Credit Act (AHD)", "Nebraska Homestead Tax Credit", "New Markets Job Growth Incentive Tax Credit", "Prepaid Workers Surcharge", and "Volunteer Emergency Responders Incentive Act".

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Collection of Sales Tax by Remote Sellers

- Requirement for remote sellers engaged in business in Nebraska to register and start collecting and remitting Nebraska and local sales tax.
 - Beginning January 1, 2019.
 - More than \$100,000 of sales annually or,
 - 200 or more separate transactions for delivery into the state annually.
- Nebraska-based retailers making sales into other states may now be required to collect and remit sales tax in those other states.

Note: Additional Information Regarding [South Dakota V. Wayfair U.S. Supreme Court Decision](#)

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E-file and Electronic Payment Mandates

The payment threshold has been lowered annually.

- Effective July 1, 2017 and forward is \$ 5,000

Any businesses with multiple locations that have been granted permission to file “combined” sales tax returns must e-file.

For more detailed information on e-file and electronic payment requirements, see our [website](#).

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Nebraska Sales Tax

For more information, see the [Sales and Use Tax Regulations](#) on our website.

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Sales tax is...

- ... a transactional tax,
- ... levied on the transaction, rather than the item sold.

A sale is...

- ... the transfer of title or possession of an item, or
- ... providing a service,
- ... for consideration.

For more information, see our guide [Nebraska and Local Sales Tax or Reg-1-001 - Nature of Sales Tax](#).

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A lease or rental of tangible personal property...

...is a transfer of control or possession of the property.

Sales tax is due on each lease or rental payment.

For more information, see [Reg-1-018 - Rent or Lease of Tangible Personal Property](#).

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All sellers...

...are the consumers of anything they use to sell their items and services; and

...must pay tax on those items or services.

Example 1. Cash registers

Example 2. Security services

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Taxable Services

- Admissions
- Animal Specialty Services
- Building Cleaning
- Cable and Satellite
- Computer Software Training (By retailer of software)
- Delivery (When the product sold is taxable)
- Detective Services (Licensed)
- Installing/Applying Tangible Personal Property
- Lodging
- Maintenance Agreements
- Motor Vehicle Towing, Washing/Waxing, Painting

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Taxable Services

- Pest Control Services
- Prepaid Calling
- Recreational Vehicle (RV) Park Services
- Repair Labor (with 5 exceptions – see slide 41)
- Security Services
- Utilities-Telephone, Local Exchange Telephone Service, Gas, Sewer, Electricity, Water

For more information regarding taxable and nontaxable services, see the [Nebraska and Local Sales Tax Information Guide](#) on our website.

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All service providers...

...are the consumers of the taxable items and services used to provide the service; and
...must pay tax on those items or services (even if the charge for the service is also taxable).

Example 1: The carwash does not sell soap, water, and wax, but a “car wash.”

Example 2: A window cleaner is not selling window cleaning solution, but “clean windows.”

Collecting Sales Tax

- Collected by the seller as an agent for the State of Nebraska
- Held in trust for the State
- Must have a sales tax permit
- Collection fee

Sales Tax is Calculated on Gross Receipts

Gross receipts...

...means the total amount of a sale or lease for a consideration.

Sales tax is calculated on the gross receipts of the sales transaction, not the item itself..

For more information, see [Reg-1-007](#) – Gross Receipts Defined.

Delivery Location and the Local Sales Tax

The delivery location usually determines the Local Sales Tax.

- The delivery location is where the purchaser picks up the item or where he/she takes possession of it.
- The local sales tax rate depends on whether the delivery location is inside or outside city limits.
- When delivery is outside Nebraska, contact the other state.

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Local Sales Tax Increase

Neb. Rev. Stat. § 77-27,142

- A municipality, except Omaha, may impose a local sales tax of 1.75% or 2% for specific purposes and under special circumstances.
- For further information, contact Karen Barrett at 402-471-5980.

Sales Tax Rate Finder

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Collecting, Documenting, and Reporting Sales Tax

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The Bottom Line for Sales Tax

- Sales tax must be separately stated (with 4 exceptions, slide 43).
- All sales transactions are presumed taxable.

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The Bottom Line for Sales Tax

Sellers must collect sales tax
or
document why they did not.

Documenting Exempt Sales

- **Form 13**
- Sellers keep completed copies of Form 13.
- A “blanket” form is valid until it is revoked in writing by the purchaser.

Documenting Exempt Sales

Nebraska Resale Certificate **Form 13**, Section A

- Purchases for resale
- Items that become an ingredient
or
component part of a product to be sold

Form 13, Section A

REVENUE		Nebraska Resale or Exempt Sale Certificate		Form 13
Name and Mailing Address of Purchaser		Name and Mailing Address of Seller		
Name _____		Name _____		
Legal Name _____		Street Address _____		
Street Address (Do not use PO box) _____		Street or Other Mailing Address _____		
City _____	State _____	Zip Code _____	City _____	State _____
Check Type of Certificate				
<input type="checkbox"/> Single Purchase		If single purchase is checked, enter the related invoice or purchase order number: _____		
<input type="checkbox"/> Blanket		If blanket is checked, this certificate is valid until revoked in writing by the purchaser.		
I hereby certify that the purchase, lease, or rental by the above purchaser is exempt from the Nebraska sales tax for the following reason:				
Check One <input type="checkbox"/> Purchase for Resale (Complete Section A.) <input type="checkbox"/> Exempt Purchase (Complete Section B.) <input type="checkbox"/> Contractor (Complete Section C.)				
Section A—Nebraska Resale Certificate				
I hereby certify that the purchase, lease, or rental of _____ from the seller listed above is exempt from the Nebraska sales tax as a purchase for resale, rental, or lease in the normal course of our business. The property or service will be resold either in the form or condition in which it was purchased, or as an ingredient or component part of other property or service to be resold.				
I further certify that we are engaged in business as a: <input type="checkbox"/> Wholesaler <input type="checkbox"/> Retailer <input type="checkbox"/> Manufacturer <input type="checkbox"/> Lessor				
of _____				
My Nebraska Sales Tax Permit Number is 01-_____				
If none, state the reason: _____				
Foreign State Sales Tax Number: _____ State _____				

For more detailed information, refer to the [Form 13 instructions](#).

Nebraska Exempt Sale Certificate Form 13, Section B

- Specific governmental units
 - Governmental Entities – Information guide
 - Reg-1-12.01C – Entity-based exemptions
- Certain exempt organizations
 - Nonprofits – Information guide
 - Nebraska Sales Tax Exemption Chart
 - Reg-1-090 – Nonprofit organizations
 - Reg-1-091 – Religious organizations
 - Reg-1-092 – Educational institutions

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Form 13, Section B

- Qualified manufacturing machinery and equipment (MME)
 - MME – Information guide
 - Reg-1-107 – MME Exemption
- Vehicles and parts for vehicles used by a common or contract carrier
 - Common or Contract Carrier – Information guide
 - Reg-1-069 – Common & Contract Carriers

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Form 13, Section B

- Qualified commercial agricultural machinery and equipment (ag machinery exemption)
 - Ag – Information guide
 - Agri-business – PowerPoint slides
 - Reg-1-094 – Ag machinery & equipment refund
- Occasional sales (This exemption is very limited in scope!)
 - Reg-1-022 – Occasional sales

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Form 13, Section B

REVENUE		Nebraska Resale or Exempt Sale Certificate		Form 13
Name and Mailing Address of Purchaser		Name and Mailing Address of Seller		
Name _____		Name _____		
Legal Name _____		Street Address _____		
Street Address (Do not use PO box) _____		Street or Other Mailing Address _____		
City _____	State _____ Zip Code _____	City _____	State _____	Zip Code _____
Check Type of Certificate				
<input type="checkbox"/> Single Purchase		If single purchase is checked, enter the related invoice or purchase order number: _____		
<input type="checkbox"/> Blanket		If blanket is checked, this certificate is valid until revoked in writing by the purchaser.		
I hereby certify that the purchase, lease, or rental by the above purchaser is exempt from the Nebraska sales tax for the following reason:				
Check One <input type="checkbox"/> Purchase for Resale (Complete Section A.) <input type="checkbox"/> Exempt Purchase (Complete Section B.) <input type="checkbox"/> Contractor (Complete Section C.)				
Section B—Nebraska Exempt Sale Certificate				
The basis for this exemption is exemption category _____ (insert appropriate number for the category of exemption described on the reverse side).				
If exemption category 2 or 5 is claimed, enter the following information:				
Description of Items Purchased _____		Intended Use of Items Purchased _____		
If exemption category 3 or 4 is claimed, enter your Nebraska Exemption Certificate number: 05-_____ Do not enter your Federal Employer ID Number.				
If exemption category 6 is claimed, the seller must enter the following information and sign this form below:				
Description of Items Sold _____	Date of Seller's Original Purchase _____	Was tax paid when purchased by seller?	Was item depreciable?	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	

For more information, see Form 13 instructions.

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Form 13, Section C – For Contractors Only

Nebraska Department of REVENUE		Nebraska Resale or Exempt Sale Certificate for Sales Tax Exemption		Form 13	
Name and Mailing Address of Purchaser			Name and Mailing Address of Seller		
Name			Name		
Local Name			Local Name		
Street Address (Do not use PO Box)			Street or Other Mailing Address		
City		State	Zip Code	City	
State		Zip Code	City		
Check Type of Certificate					
<input type="checkbox"/> Single Purchase If single purchase is checked, enter the related invoice or purchase order number _____					
<input type="checkbox"/> Blanket If blanket is checked, this certificate is valid until revoked in writing by the purchaser.					
I hereby certify that the purchase, lease, or rental by the above purchaser is exempt from the Nebraska sales tax for the following reason:					
Check One <input type="checkbox"/> Purchase for Resale (Complete Section A.) <input type="checkbox"/> Exempt Purchase (Complete Section B.) <input type="checkbox"/> Contractor (Complete Section C.)					
Section C—For Contractors Only					
1. Purchase of building materials or fixtures.					
<input type="checkbox"/> As an Option 1 or Option 3 contractor, I hereby certify that the purchase of building materials and fixtures from the seller listed above are exempt from Nebraska sales tax. My Nebraska Sales or Use Tax Permit Number is: _____					
2. Purchases made by an Option 2 contractor under a Purchasing Agent Appointment on behalf of _____ (exempt entity)					
As an Option 2 contractor, I hereby certify that the purchase of building materials and fixtures from the seller listed above is exempt from Nebraska sales tax pursuant to the attached Purchasing Agent Appointment and Delegation of Authority for Sales and Use Tax, Form 17.					

There is a seminar just for contractors! Check the education schedule to attend a class

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Reporting Sales Tax

- E-file a Form 10.
- For e-file instructions, please go to the Department's website.
- A return must be filed even if there are no sales to report.

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What is Use Tax?

For more information, see [Reg-1-002 – Use Tax](#).

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What is Use Tax?

- Use tax is due when Nebraska sales tax has not been paid on a taxable item or service purchased for use in Nebraska.
- The big difference is who remits the tax -
 - Sales tax is collected and remitted by the seller.
 - Use tax is paid directly to the Department by the purchaser/consumer.

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Use Tax and Sales Tax Have These Things in Common –

- They are imposed on the same transactions.
- They have the same exemptions.
- They are calculated at the same rate.
 - Where delivery occurs; or
 - Where first usage in Nebraska takes place.

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When Use Tax is Due

- Use tax is often due when purchases are made from a remote sellers
 - Internet, catalog, mail order
 - Magazines and journals by subscription
 - Incorrect rate collected
- Use tax is due when a retailer withdraws tax-free inventory for business or personal use (including donations)
 - Auto mechanic
 - Hair salon

Note: Be sure to maintain good records!

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Use Tax

NEBRASKA <small>Good Life, Great Service.</small> <small>DEPARTMENT OF REVENUE</small>	Nebraska Individual Income Tax Return <small>for the taxable year January 1, 2017 through December 31, 2017 or other taxable year: , 2017 through</small>	<small>FORM 1040N</small> 2017
<small>41 Use tax due on taxable purchases where applicable sales tax was not collected. (see instructions)</small> <small>Enter purchases subject to state tax 91 \$ _____ State tax 92 \$ _____ (purchases x 5.5%);</small> <small>Enter purchases subject to local tax 93 \$ _____ Local tax 94 \$ _____ (purchases x local rate of _____ %)</small> <small>95 Local code _____ (see local rate schedule);</small> <small>Add state and local taxes and enter on line 41. If no use tax is due, enter -0- on line 41. 41</small>		

- Report individual use tax on line 41 of Form 1040N.
- If the taxpayer has a credit for tax paid to another state, along with use tax, report both the credit and tax on Form 2.
- If the taxpayer needs to report use tax to multiple local jurisdictions, report it on Form 3.
- Report business use tax on Form 10 or Form 2.
- Businesses that hold a Nebraska Sales and Use Tax Permit, must use Form 10.

Note: Do not report business use tax on Form 1040N.

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Reporting Use Tax

- Businesses report use tax on:
 - Form 10; or
 - Form 2.
- Individuals report use tax on:
 - Form 3;
 - Form 1040N; or
 - Form 2 (only if claiming credit for tax paid to another state).

Note: Do not use Form 1040XN to make changes to individual use tax filings.

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Businesses that hold a Nebraska Sales and Use Tax Permit, must use Form 10.

REVENUE Business Nebraska and Local Use Tax Return **FORM 2**

PLEASE DO NOT WRITE IN THIS SPACE

Name (Using Business Ac. Only): _____

NAME AND LOCATION ADDRESS NAME AND MAILING ADDRESS

Legal Name _____

Street Address (Do Not Use PO Box) _____ Street or Other Mailing Address _____

City _____ State _____ Zip Code _____ City _____ State _____ Zip Code _____

1 Cost of taxable items or services purchased for use in Nebraska when Nebraska sales tax has not been paid. (Include the cost of items withdrawn from inventory for use.) 1 \$ _____ 00

2 Nebraska use tax due (line 1 multiplied by .055) 2 _____

• Complete the following Local Use Tax Table (see instructions):

CITY OR COUNTY (CLICK HERE FOR CURRENT CODES AND RATES)	LOCAL USE TAX TABLE		COLUMN A Amount Subject to Local Use Tax	COLUMN B Local Use Tax (Rate x Column A)
	LOCAL CODE	LOCAL TAX RATE		
			00	
			00	
			00	
			00	
			00	
			00	

3 Total local use tax due (add amounts in Column B) 3 _____

4 Total Nebraska and local use taxes due (line 2 plus line 3) 4 _____

5 Credit for tax properly paid to other states and taxing jurisdictions on items included on line 1 (see instructions) 5 _____

6 Net Nebraska and local use taxes due (line 4 minus line 5) 6 _____

7 Previous balance with applicable interest at % per year and payments received through _____

8 BALANCE DUE (line 6 plus or minus line 7). Pay in full with this return. 8 \$ _____

I declare under penalties of perjury that I have examined this return, and to the best of my knowledge and belief, it is correct and complete.

sign here Taxpayer Signature _____ Date _____ Signature of Preparer Other Than Taxpayer _____ Date _____

Title _____ Daytime Telephone Number _____ Daytime Telephone Number _____

E-Mail Address _____ E-Mail Address _____

THIS RETURN IS DUE ON OR BEFORE THE 25TH DAY OF THE MONTH FOLLOWING THE TAX PERIOD INDICATED ABOVE.
Mail this return and payment to: NEBRASKA DEPARTMENT OF REVENUE, PO BOX 98023, LINCOLN, NE 68509-8923.
www.revenue.ne.gov, (800) 742-7474 (NE and IA), (402) 471-5729

4-018 (1/14 Rev. 3/2011)
Supplement to Form 100, 1000

Businesses use Form 2 if they do not hold a sales tax permit.

REVENUE Individual Nebraska and Local Use Tax Return **FORM 3**

PLEASE DO NOT WRITE IN THIS SPACE

Name _____

NAME AND MAILING ADDRESS

Street or Other Mailing Address _____

City _____ State _____ Zip Code _____

1 Cost of taxable items or services purchased for use in Nebraska when Nebraska sales tax has not been paid. 1 \$ _____ 00

2 Nebraska use tax due (line 1 multiplied by .055) 2 _____

• Complete the following Local Use Tax Table (see instructions):

CITY OR COUNTY (CLICK HERE FOR CURRENT CODES AND RATES)	LOCAL USE TAX TABLE		COLUMN A Amount Subject to Local Use Tax	COLUMN B Local Use Tax (Rate x Column A)
	LOCAL CODE	LOCAL TAX RATE		
			00	
			00	
			00	
			00	
			00	
			00	

3 Total local use tax due (add amounts in Column B) 3 _____

4 Nebraska and local use tax due (line 2 plus line 3). Pay in full with this return. 4 \$ _____

I declare under penalties of perjury that I have examined this return, and to the best of my knowledge and belief, it is correct and complete.

sign here Taxpayer Signature _____ Date _____ Signature of Preparer Other Than Taxpayer _____ Date _____

Daytime Telephone Number _____ Daytime Telephone Number _____

E-Mail Address _____ E-Mail Address _____

Mail this return and payment to: NEBRASKA DEPARTMENT OF REVENUE, PO BOX 98023, LINCOLN, NE 68509-8923.
www.revenue.ne.gov, (800) 742-7474 (Nebraska and Iowa), (402) 471-5729

4-018 (1/14 Rev. 3/2011)
Supplement to Form 100, 1000

Individuals use Form 3.

Other Tax Information

Labor Charges Associated with Personal Property

- Taxable
 - Production and assembly labor
 - Installation and repair labor when the item is taxable
- Exempt
 - Installation labor when the item is exempt
 - Repair labor (with 5 exceptions-see next slide)

For more information, see [Reg-1-082](#) – Labor Charges.

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Exempt Repair Labor Charges

- Licensable motor vehicles, trailers, or semitrailers
- Agricultural machinery and equipment used in commercial agriculture
- Qualifying prosthetic devices and durable medical equipment ([Form 13](#) required)
- Mobility-enhancing equipment ([Form 13ME](#) required)
- Qualified MME ([Form 13](#) required)

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Gross Receipts

Four exceptions to separately stating sales tax:

- Admissions
- Beverages and snack foods consumed on the premises of a licensed alcohol retailer
- Concessions
- Vending machines
 - Coin operated car washes

For more information, see [Reg-1-007](#) – Gross Receipts Defined.

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Example:

You charge your customer \$10 for a pitcher of beer in a city with a 1.5% local sales tax.

The customer's bill would show:
 Pitcher of beer \$10

To determine gross receipts and the amount of sales tax:

- Divide \$10 by 1.07 (1 plus the total state and local sales tax rate). The resulting gross receipts amount is \$9.35.
- Subtract \$9.35 from \$10 to get \$0.65, which is the tax.

Gross receipts (sales price)	= \$9.35
State sales tax	= \$0.51
Local sales tax	= \$0.14

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Delivery Charges

Delivery charges are taxable when:

- the buyer pays the seller for the delivery charge and
- the underlying transaction is taxable.

Delivery charges are taxable regardless of the method of delivery. (including United States Postal Service).

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Delivery Charges

If you owe use tax on a purchase, you also owe use tax on any delivery charge paid to the seller as part of that purchase.

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Containers

There are two types:

- Returnable
 - Taxable to the person who will place contents into them.
- Nonreturnable
 - Nontaxable when the person will fill the container and sell the contents with the container.

For more information, see [Reg-1-043](#) – Containers.

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Tips and Gratuities

- Discretionary (nontaxable)
- Mandatory (taxable)

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Prepaid Wireless Telecommunication Services

Prepaid mobile phones and phone cards are subject the following:

- Sales and Use Taxes; and
- Prepaid Wireless Surcharge

For more information, see [FAQ Prepaid Wireless Surcharge](#)

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Software and Digital Goods & Services

Taxable Examples

Software/software installation

- Tangible medium
- Internet transferred software
- Software training/re-training by the seller of the software

Maintenance Agreements covering for one charge

- Hardware
- Software
- Repair Services
- Help desk
- Data protection against unauthorized access
- Software modifications, including code changes, updates, and upgrades

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Software and Digital Goods & Services

Taxable Examples

Digital goods

- Electronic books and book clubs
- Downloading songs & ringtones
- Movies, music videos, & TV shows

Services

- Virus protection software, monitoring services, security services.

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Software and Digital Goods & Services

Nontaxable Examples

Digital goods

- Web design without license transfer
- Electronically-transferred photographs

Services

- Help desk without updates

For more information, see [Reg-1-088 – Software](#)

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Manufacturing Machinery & Equipment (MME)

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Other Tax Information – MME (continued)

MME Includes Machinery or Equipment Used for

- Producing, fabricating, assembling, processing, molding, shaping, finishing, refining, or packaging tangible personal property
- Transporting, conveying, handling, or storing the manufactured goods or raw materials
- Maintaining the integrity of the products or unique environmental conditions for the products or MME itself

more...

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Other Tax Information – MME (continued)

MME Includes...

- Testing or measuring the product, the manufacturing process, or the quality of the finished products
- Computers, software, and peripheral equipment used to guide, control, operate, or measure the manufacturing process
 - Example:
Software used to direct robotic assembly line equipment to move the product down the line.

more...

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Other Tax Information – MME (continued)

MME Includes...

- Self-constructed equipment
- Replacement parts
- Repair labor charges

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Energy Source Utility Exemption

The seller is not responsible for collecting sales tax on sales of dyed diesel fuel when delivery takes place by

- Pumping it into a bulk tank equipped with a hose and nozzle;
- Pumping it directly into the fuel tank of an off-road vehicle;
 - Farm tractor ○ Bulldozer ○ Excavator
 - Combine ○ Road grader ○ Boat
- Pumping it directly into a supply tank that fuels equipment that generates electricity; or
- Pumping it directly into a supply tank that fuels stationary crop irrigation equipment.

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Taxable Energy Source

Dyed diesel fuel is subject to sales and use tax when:

- Used in certain equipment
 - Reefer unit
 - De-watering equipment
 - Diesel powered light tower equipment
 - Diesel powered air compressor

Refer to Sales and Use Tax Regulation 1-089-
Energy Source Utility Exemption, for more information.

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Just a Few More Things...

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PRINT FORM RESET FORM Form 33

Nebraska Department of REVENUE **Power of Attorney**

Taxpayer's Name and Address			
Name of Taxpayer		Business Name	
Address (Street or Other Mailing Address)		Business Address (Street or Other Mailing Address)	
City	State	Zip Code	City State Zip Code
Nebraska ID or Social Security Number		Federal ID or Social Security Number	
Attorney-in-fact's Name and Address (If more than two, see Designation of Attorney-in-fact in the instructions.)			
Name		Name	
Title or Firm Name		Title or Firm Name	
Address (Street or Other Mailing Address)		Address (Street or Other Mailing Address)	
City	State	Zip Code	City State Zip Code
Email Address	Phone Number	Email Address	Phone Number

The taxpayer appoints the above attorneys-in-fact for purposes of duly authorized representation in any proceedings with the Nebraska Department of Revenue (Department) with respect to those tax categories, tax matters, and tax periods indicated below:

Tax Category	Tax Matter of Representation	Tax Period

The attorneys-in-fact designated on this form have the authority to receive confidential information on behalf of the taxpayer and the power to perform the following acts with respect to the designated tax matters. Strike through any items which will not be granted.

- Fully represent the taxpayer in any hearing, determination, or appeal.
- Enter into any compromise with the Department.

Purchasing a Business = Buying a Liability?

The buyer can be held liable for taxes due by the previous owner up to the amount of the purchase price, even if a lien has not been recorded.

Protect yourself!

- Certificate of Clearance:
 - Buyer or seller requests and receives the certificate in writing.
 - If buyer makes request, seller must sign the form.
 - Request the certificate by filing a Form 36, Tax Clearance Application.
 - Form 36 should be filed at least 15 days prior to closing.
- The Department will:
 - Advise them if there is an unpaid tax liability.

For more information see Successor in Interest, [§ 77-2707 Sales and Use Tax](#), and Transferee, [§ 77-27.110 Income Tax Withholding](#).

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Why Would We Audit You?

- Audit of another taxpayer
- Department staff experiences
- Referrals from outside sources
 - Media
 - Tip line
 - Other government agencies
- Data mining
 - Comparisons with other companies
 - Trends, patterns, and relationships
 - Industry standards
- Follow-up audits

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Failure to Keep Records Could Lead to:

- Tax assessments
- License suspension
- License revocation

For more information, see [Neb. Rev. Stat. § 77-2705\(6\)\(a\)\(ii\)](#)

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Records

- Every seller is required to keep records.
 - Documents
 - Business invoices of items or services consumed
 - Normal books of account
 - Receipts showing taxes paid
 - Resale and exempt sale certificates
 - Schedules
 - Working papers used in preparing tax returns

We recommend you retain records for 6 years after a return is filed.

For more information, see [Reg-1-008 – Records](#).

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DEPARTMENT OF REVENUE

Steve Drzaic
402-595-2078
steve.drzaic@nebraska.gov

Taxpayer assistance
800-742-7474
revenue.nebraska.gov

Thank you!

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