

FOR IMMEDIATE RELEASE:
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CHANGES IN CITY SALES AND USE TAX RATES

LINCOLN – Tax Commissioner Doug Ewald announced today, that effective April 1, 2011, several cities will impose changes in their city sales and use tax rates. The following is a list of those changes:

- Arcadia and Waverly will each start a new city sales and use tax at the rate of 1.0%;
- Maywood, Ponca, and Springfield will each start a new city sales and use tax at the rate of 1.5%; and
- Alma, Crete, Fullerton, Hastings, Humphrey, and Plymouth will increase their current sales and use tax rate of 1.0% to 1.5%.

The Nebraska Department of Revenue (Department) has updated its website to provide notification of these changes. Written notification is no longer mailed to all sales tax permit holders.

Retailers making taxable sales in a city, or the one county, with a local option sales tax must collect BOTH the state and local sales taxes. Local sales tax receipts are reported to the Department along with state sales tax receipts, and are distributed to the communities where they were collected. If sales tax is not collected on a taxable sale by the retailer at the time of purchase, the buyer is responsible for paying the appropriate use tax directly to the Department.

Local sales and use tax rates can be set at 0.5%, 1.0%, or 1.5%.

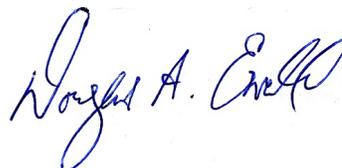
On April 1, 2011:

- One city and one county will have a 0.5% sales and use tax rate;
- 108 cities will have a 1.0% sales and use tax rate; and
- 85 cities will have a 1.5% sales and use tax rate.

For detailed information about sales and use taxes, including instructions for online filing of the sales and use tax return, rates, forms, information guides, revenue rulings, frequently asked questions, and a schedule of the Department's free educational seminars, please visit www.revenue.ne.gov.

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APPROVED:



Douglas A. Ewald
Tax Commissioner