

BASIC PROVISIONS AND TAX BASE OF THE NEBRASKA AND COUNTY LODGING TAX LAWS

The lodging tax is a sales tax imposed upon the total gross receipts charged for the occupancy of any space furnished by any hotel, motel, tourist home, campground, court, inn, or lodging house in Nebraska. The lodging tax is imposed in addition to the regular sales and use tax. The state lodging tax is one percent. Receipts from the state lodging tax are paid to the State Visitors Promotion Cash Fund.

Each county in the state may impose a lodging tax of two percent or less. Any county with a population of more than 300,000 inhabitants may charge an additional tax of up to two percent.* The county lodging tax is in addition to the one percent state lodging tax and the regular sales and use tax. Receipts from a county's lodging tax are paid to the County Visitors Promotion Fund after a three percent administrative fee has been deducted by the state.

*Douglas County imposes an additional two percent county lodging tax for a total lodging tax of four percent. Receipts from the additional two percent county lodging tax is paid to the County Visitors Improvement Fund after deducting a three percent administrative fee.

LODGING TAX

**Statutory Reference
and Description**

**Actual Tax
Expenditure Cost
NA = Not Available**

EXEMPTIONS

**Section 81-1260, Section 2704.02, Section 77-2704.12(1) and
Section 77-2704.15 through 77-2704.20**

State Counties

Occupants granted an exemption from the lodging tax are the same entities which are exempt from the sales and use tax on their purchases under the Nebraska Revenue Act of 1967, as amended. These include organizations created exclusively for religious purposes; nonprofit organizations providing services exclusively to the blind; educational institutions established under the provisions of Chapter 79, Article 17, and Chapter 85, Article 11, of the Nebraska statutes; any private college or university, hospitals, specified health clinics, skilled nursing facilities, intermediate care facilities, or nursing facility licensed by the State of Nebraska and organized not for profit; any nonprofit organization providing services primarily for home health care purposes; licensed child caring agencies; licensed child placement agencies, the State Board of Agriculture, the Nebraska Investment Finance Authority, the Research and Development Authority, the Small Business Development Authority, or licensees of the State Racing Commission.

\$211,680 \$557,630

The state, any county, township, city, village, rural, or suburban fire protection district, or irrigation or reclamation district, the irrigation division of any Nebraska public power and irrigation district or public school established under Chapter 79 is exempt from the lodging tax.

The federal government is exempt from the lodging tax.

NA
(State taxation
prohibited)

DEDUCTION

Section 81-1261

The state retains three percent of the county lodging tax receipts as an administrative fee to defray the cost of collecting and administering the tax.

\$0 \$170,337 ¹

¹ This is a tax expenditure for the applicable counties only.

LODGING TAX, NEBRASKA AND COUNTY RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.