

BASIC PROVISIONS AND TAX BASE OF THE NEBRASKA PETROLEUM RELEASE REMEDIAL ACTION FEE (PRF)

The Nebraska Petroleum Release Remedial Action Act imposes a fee upon the importer, refiner, or supplier who first sells, offers for sale, or uses petroleum in Nebraska. PRF must be remitted to the state when the licensee removes petroleum products from a pipeline terminal, imports petroleum products into Nebraska via truck or rail, or refines, prepares, blends, distills, manufactures, or compounds petroleum products in Nebraska for their own use, sale, or delivery within Nebraska. Through June 30, 1998, the fee was six-tenths of one cent per gallon on motor fuels, such as gasoline, and two-tenths of one cent on all other petroleum products. Effective July 1, 1998, the fee is nine-tenths of one cent per gallon on motor vehicle fuels, such as gasoline, and three-tenths of one cent on all other petroleum products. The collection and remittance of the fee cannot be transferred to the purchaser even if they are also licensed to report PRF. Fuel products removed from a Nebraska pipeline terminal facility with a delivery destination in a state other than Nebraska are not subject to Nebraska PRF.

The revenue raised from this fee is placed in the Nebraska Petroleum Release Remedial Action Cash Fund. The provisions to reduce the fees after reaching \$8,000,000 and cap the fund at \$10,000,000 were repealed effective July 1, 1998.

PETROLEUM RELEASE REMEDIAL ACTION FEE

Statutory Reference and Description	Estimated Tax Expenditure Cost NA = Not Available
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EXEMPTIONS

Section 66-1510

Denatured agricultural ethyl alcohol that is not blended with motor vehicle fuels, or that is blended with gasoline at a pipeline terminal in Nebraska.	NA
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Propane and other combustible gases.	NA
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Section 66-1521

Petroleum packaged in individual containers of one hundred ten gallons or less and intended for sale or use in this state.	NA
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CREDITS

Section 66-1501 through 66-1530

Any fee paid on petroleum which was taxed and then exported.	\$242,200
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Section 66-1501 through 66-1530

Any fee paid on petroleum which was taxed and then sold to a federal agency.	\$6,310
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DEDUCTION

Section 66-1521

Collection fee allowed the Department of Revenue.	\$28,000*
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*The fee shall not exceed \$28,000 for fiscal year 1990-91 or for any subsequent fiscal year. The fee is deposited in the Petroleum Release Remedial Action Collection Fund.

PETROLEUM RELEASE REMEDIAL ACTION FEE RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.