

SECTION S

Public Power and Irrigation Districts' Gross Revenue Tax

BASIC PROVISIONS AND TAX BASE

Every public corporation and political subdivision in Nebraska, organized primarily to provide electricity, or irrigation and electricity, and which sells electricity at retail within incorporated cities or villages, pays a tax equal to five percent of this gross revenue. A deduction is allowed for in lieu of taxes paid. The in lieu of tax is the dollar amount paid in property taxes to the city or village in calendar year 1957 with respect to its properties in the city or village. In addition, the public power districts are allowed to deduct the city occupation tax from the gross revenue tax.

Statutory Reference and Description	Actual Tax Expenditure Cost (NA = Not Available)
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DEDUCTIONS

Section 70-651.03

Public power districts are allowed to deduct from the gross revenue tax remitted to county treasurers an amount equivalent to the amount paid by the public corporation in lieu of taxes with respect to its properties in the cities or villages from which it derived its gross revenues.	\$1,115,822 ¹
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Section 70-651.05

Public power districts are allowed to deduct from the gross revenue tax remitted to county treasurers the city occupation tax.	\$363,663 ¹
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¹This may not be considered a true tax expenditure since the public power districts still pay the fixed in-lieu-of taxes and the city occupation taxes in addition to the (net) gross revenue tax (tax amounts per 2009 Certificate of Taxes Levied Reports).

RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.