

SECTION U

Petroleum Release Remedial Action Fee (PRF)

BASIC PROVISIONS AND TAX BASE

The Nebraska Petroleum Release Remedial Action Act imposes a fee upon the producer, importer, refiner, distributor, wholesaler, or supplier who engages in the sale, distribution, delivery and use of petroleum (motor vehicle fuels, diesel fuels, and aviation fuels) in Nebraska. The fee is nine-tenths of one cent per gallon on aviation gasoline and motor vehicle fuels, such as gasoline, and three-tenths of one cent per gallon on jet fuel and diesel fuels, including dyed diesel.

The revenue raised from this fee is placed in the Nebraska Petroleum Release Remedial Action Cash Fund. Revenues for this fund totaled \$10,697,721 for fiscal year 2009-10.

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

Section 66-1510

Natural gasoline used as a denaturant by a Nebraska ethanol facility.	\$290,000
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CREDITS

Section 66-1521

Any fee paid on petroleum which was taxed and then exported.	\$4,000
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Section 66-1521

Any fee paid on petroleum which was taxed and then sold to a federal agency.	\$5,000
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DEDUCTIONS

Section 66-1521

Collection fee allowed the Department of Revenue.	\$150,000 ¹
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¹The fee could not exceed \$28,000 for fiscal years prior to July 1, 2009. Beginning with fiscal year 2009-10, this amount was increased to a maximum of \$150,000 per year. The fee is deposited in the Petroleum Release Remedial Action Collection Fund.

RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.