

SECTION M — Nebraska and County Lodging Tax

BASIC PROVISIONS AND TAX BASE

The lodging tax is a tax imposed upon the total gross receipts charged for the occupancy of any space furnished by any hotel (including a Nebraska-operated hotel), motel, tourist home, campground, court, inn, bed and breakfast, or lodging house in Nebraska for less than 30 consecutive days. The lodging tax is imposed in addition to the sales and use tax. The Nebraska lodging tax is 1%. Receipts from Nebraska lodging tax are paid to the State Visitors Promotion Cash Fund.

Each county in Nebraska may impose a lodging tax of 2% or less. The county lodging tax receipts are paid to the County Visitors Promotion Fund. Each county may also impose an additional lodging tax of 2% or less. Receipts from this additional county lodging tax are paid to the County Visitors Improvement Fund. A 3% administrative fee is deducted by the Nebraska Department of Revenue and deposited in the General Fund.

Both county lodging taxes are in addition to the 1% state lodging tax and regular sales and use tax.

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

	State	Counties
Sections 81-3722, 77-2704.02, 77-2704.12(1), and 77-2704.15 through 77-2704.20	\$418,710	\$1,256,130

Purchases by:

- Nonprofit organizations created exclusively for religious purposes;
- Nonprofit organizations providing services exclusively to the blind;
- Nonprofit Nebraska-licensed schools, colleges, universities established under §§ [79-1601 to 79-1607](#) or any regionally or nationally accredited, nonprofit, privately controlled college or university with its primary campus physically located in Nebraska (not including Nebraska public post-secondary institutions);
- Nonprofit Nebraska-licensed hospitals;
- Nonprofit Nebraska-licensed health clinics when one or more hospitals or the parent corporations of the hospitals own or control the health clinic for the purpose of reducing the cost of health services, or when the health clinic receives federal funds through the United States Public Health Service for the populations that are medically under-served;
- Nonprofit Nebraska-licensed skilled nursing facilities;
- Nonprofit Nebraska-licensed intermediate care facilities;
- Nonprofit Nebraska-licensed assisted-living facilities;
- Nonprofit Nebraska-licensed intermediate care facilities for the mentally retarded;
- Nonprofit Nebraska-licensed nursing facilities;
- Nonprofit Nebraska-licensed home health agency, hospice or hospice service, and respite care service;
- Nonprofit Nebraska-licensed child-caring agencies or child placement agencies; and
- Nonprofit organizations certified by the Department of Health and Human Services (HHS) to provide community-based services for persons with developmental disabilities.

The state, including public educational institutions recognized or established under the provisions of Chapter 85, or any Nebraska county, township, city, village, rural or suburban fire protection district, city airport

authority, county airport authority, joint airport authority, drainage district organized under §§ [31-401 to 31-450](#), natural resource district, elected county fair board, housing agency as defined in § [71-1575](#) except for purchases for any commercial operation that does not exclusively benefit the residents of an affordable housing project, cemetery created under § [12-101](#), or joint entity or agency formed by any combination of two or more counties, townships, cities, villages, or other exempt governmental units pursuant to the Interlocal Cooperation Act, the Integrated Solid Waste Management Act, or the Joint Public Agency Act, except for purchases for use in the business of furnishing gas, water, electricity, or heat, or by any irrigation or reclamation district, the irrigation division of any public power and irrigation district, or public schools or learning communities established under Chapter 79.

The Nebraska State Fair Board.

The Nebraska Investment Finance Authority.

Licenses of the State Racing Commission.

The federal government when payment is made directly by the federal government.

State tax
is prohibited

DEDUCTIONS

	State	Counties
Section 81-3723		
The state retains 3% of the county lodging tax receipts as an administrative fee to defray the cost of collecting and administering the tax.	\$0	\$440,527 ¹

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

RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.