

# SECTION R — 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 5% 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.

| <b>Statutory Reference<br/>and Description</b> | <b>Actual Tax<br/>Expenditure Cost<br/>(NA = Not Available)</b> |
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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 in property taxes to the city or village in calendar year 1957. | \$1,045,352 <sup>1</sup> |
|---|--------------------------|

**Section [70-651.05](#)**

|  |                        |
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| Public power districts are allowed to deduct from the gross revenue tax remitted to county treasurers the city occupation tax. | \$322,755 <sup>1</sup> |
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<sup>1</sup>*This 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 2011 Certificate of Taxes Levied Reports).*

### RECOMMENDATIONS

The Nebraska Department of Revenue has no recommendations.