

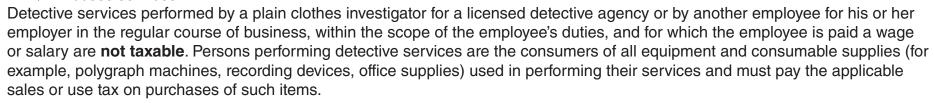
If you are providing detective services . . .

then **beginning October 1, 2003**, you are a retailer and the gross receipts (charges) for detective services are subject to sales tax. Licensed private detectives and detective agencies must hold a Nebraska sales and use tax permit and collect the Nebraska and applicable local (city) sales tax on all charges for their services. If you need a permit, please refer to the paragraph below titled "Retailer's responsibilities".

Taxable detective services are those provided by a licensed private detective or detective agency in the business of investigating to obtain information for others. Sales tax applies to the total charge to the customer.

Taxable detective services include, but are not limited to:

- Background investigations;
- ♦ Investigation of crimes, either committed or threatened;
- Surveillance (including electronic or video surveillance), and undercover investigations;
- ♦ Lie detection services (polygraph or voice stress exam);
- Obtaining evidence for a legal hearing, criminal case, or trial;
- ♠ Recovery of lost or stolen property;
- ♦ Pre-employment investigations, employee investigations, or employee theft investigations;
- ♦ Searching for missing persons; and
- Process services.



Local (city) sales tax. Local sales tax must be collected if the detective service is provided within a municipality that has a local sales tax. When the charge cannot be assigned to specific locations, local sales tax must be collected based on the customer's primary residential or business street address in this state.

Retailer's responsibilities. Retailers have certain administrative responsibilities for collecting and remitting sales tax. These responsibilities are summarized in our Information Guide titled "**Nebraska and Local Sales Tax**," available on our website at: **revenue.nebraska.gov**, or call 800-742-7474 (NE and IA) or 402-471-5729.

This guidance document is advisory in nature but is binding on the Nebraska Department of Revenue (Department) until amended. A guidance document does not include internal procedural documents that only affect the internal operations of the Department and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.

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