Overview
Retailers may not advertise or imply in any manner that they will pay, assume, or absorb the tax for their customers, or that sales tax will not be added to the selling price.

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.

Retailers' Sales Tax Responsibilities
Retailers are required by law, to pass on to their customers the full amount of the sales tax in a retail sale. The sales tax must be collected as an item separate and distinct from the selling price. Retailers making sales of property subject to tax, such as motor vehicles, furniture, and electronics, are required to state on the customer’s invoice the amount of the sales tax, even though, in the case of motor vehicles, the tax will be paid by the purchaser to the county treasurer.

Prohibited Advertisements
Retailers are prohibited under Nebraska law from advertising or implying in any way that the sales tax or any part of the sales tax will be assumed or absorbed by the retailer or that the sales tax will not be added to the selling price.

The following are examples of prohibited language that should not appear in any advertisement because they state, imply, or suggest that the retailer will absorb or assume the sales tax:

❖ “Tax-Free Sale”;
❖ “Pay No Sales Tax”;
❖ “Purchases Will Be Discounted by the Amount of the Sales Tax”;
❖ “Sales Tax Stimulus Sale”;
❖ “Receive A Discount Equal to the Sales Tax”;
❖ “We Will Pay Your Sales Tax”; and
❖ “Tax Credit Sale”.

Retailers may contact the Department prior to conducting an advertising campaign to ensure the proposed language contained in the advertisement does not violate statutory provisions.
Resource List

❖ Nebraska Sales and Use Tax Regulation 1-039
❖ Neb. Rev. Stat. § 77-2703(1)(b)