

September 30, 2002

Sales and Use Tax - Magazine and Journal Subscriptions. EFFECTIVE OCTOBER 1, 2002, SALES OF MAGAZINE AND JOURNAL SUBSCRIPTIONS ARE SUBJECT TO TAX REGARDLESS OF THE FREQUENCY OF PUBLICATION.

Laws 2002, LB 1085, repealed the sales and use tax exemption for subscriptions for magazines and journals that are issued at average intervals not exceeding one month. Therefore, beginning October 1, 2002, all sales of magazine and journal subscriptions are subject to tax. Magazines and journals sold through means other than subscriptions remain taxable.

Sellers of magazine and journal subscriptions are retailers and are required to collect and remit the Nebraska and applicable local option (city) sales tax on all sales of magazine and journal subscriptions made on and after October 1, 2002.

Sellers meeting any of the criteria listed in Neb. Rev. Stat. §77-2702.06 must comply with the licensing and filing requirements for sales tax. Among these criteria are: maintaining a stock of goods, office, place of distribution or other place of business in this state; or having an agent, representative, or solicitor operating in Nebraska for the purpose of selling, delivering or taking orders for property. Sellers utilizing the solicitation or order-taking services of a telemarketing company located in Nebraska must be licensed and comply with the sales tax filing requirements.

A magazine is a collection of articles on topics of general or specific interest. A journal is a publication dealing with matters of current interest for a special group or the official records of a particular group, place or event.

Sales and Use Tax Regulations 1-012.02(B) and 1-055.01 are superseded by the provisions of Laws 2002, LB 1085.

APPROVED:



Mary Jane Egr
State Tax Commissioner

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