

# NEBRASKA

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DEPARTMENT OF REVENUE



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## FOR IMMEDIATE RELEASE

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## Gage County Imposes a Local Sales and Use Tax Rate of 0.50% – Effective January 1, 2020

September 18, 2019 (LINCOLN, NEB.) – Tax Commissioner Tony Fulton announced today that Gage County will impose a new county sales and use tax at the rate of 0.50% that will be effective on January 1, 2020.

Legislative Bill 472, which became effective on September 1, 2019, created the Qualified Judgment Payment Act, located in [Neb. Rev. Stat. §§ 77-6401 to 77-6406](#), which states in part, that “Any county that has a qualified judgment in excess of twenty-five million dollars rendered against it may, upon adoption of a resolution by the affirmative vote of at least two-thirds majority of all elected members of the county board, impose a sales and use tax of one-half of one percent on transactions that are subject to sales and use tax . . . . Any sales and use tax imposed pursuant to this section shall be used to pay the qualified judgment.”

All counties in Nebraska are permitted to adopt a county sales tax for purposes of funding public safety services jointly with other governments through an interlocal agreement. Dakota County has such a tax. However, unlike other county sales taxes which only apply outside of municipalities with their own local sales tax, the Gage County sales and use tax will be in addition to both the state and city tax in any of the Gage county cities that have a city tax. Currently the Gage County cities that have a city sales and use tax, and their rates, are Beatrice (2%), Cortland (1%), Odell (1%), and Wymore (1.5%). So, for example, beginning January 1, 2020, a sale made in Beatrice will be subject to the state rate of 5.5%, the city tax of 2%, and the Gage county sales tax of 0.50%, for a total rate of 8%.

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