

# Nebraska and Local Business Use Tax Return

FORM  
**2**

Please Do Not Write in This Space

Nebraska ID Number

Tax Period

Name and Location Address

Name and Mailing Address

- 1 Cost of taxable property or services purchased for use in Nebraska when Nebraska sales tax has not been paid (Include the cost of property withdrawn from inventory for use.) .....
- 2 Nebraska use tax due (line 1 multiplied by . If you had purchases in a Good Life District (GLD), see instructions and complete the GLD box prior to completing Line 2.) .....

1		00
2		

**IMPORTANT NOTE: Purchasers or lessees of any aircraft, complete the Aircraft State Use Tax box**

Aircraft State Use Tax	
Enter the amount of state use tax included on Line 2 that is from the purchase, lease, or rental of aircraft when sales tax has not been collected. (694-694) .....	

Good Life District (GLD) Use Tax				
GLD Name	GLD Code	Rate	A: Subject to Use Tax	B: Use Tax (Rate x Col A)
Outside a GLD or Inside a Nebraska GLD but not within a city's boundaries.	N/A	.055		
Inside GLD Avenue One	801-801	.0275		
Inside GLD Nebraska Crossing Village District <b>and</b> inside Gretna's city limits**	802-802	.0275		
Inside GLD Operation Grand Island Goodlife <b>and</b> inside Grand Island's city limits**	803-803	.0275		
Inside GLD La Belle Vue Good Life District <b>and</b> inside Bellevue's city limits**	804-804	.0275		
<b>Enter Total of Column B on Line 2</b>				

\*\*Effective July 1, 2024, the GLD reduced state tax rate of 2.75% is only effective within a GLD that is also within a city boundary.

Complete the following Local Use Tax Table (see instructions).

Local Use Tax Table				
City or County <a href="#">Click here for Current Codes and Rates</a>	Local Code	Local Tax Rate	Column A: Amount Subject to Local Use Tax	Column B: Local Use Tax (Rate x Column A)
			00	
			00	

- 3 Total local use tax due (add amounts in Column B of Local Use Tax Table) .....
- 4 Total Nebraska and local use taxes due (line 2 plus line 3) .....
- 5 Credit for tax properly paid to other states and taxing jurisdictions on property included on line 1 (see instructions) .....
- 6 Net Nebraska and local use taxes due (line 4 minus line 5) .....
- 7 Previous balance with applicable interest at  
% per year and payments received through

3		
4		
5		
6		
7		

☐ Check this box if your payment is being made electronically.

- 8 Balance due (line 6 plus or minus line 7). Pay in full with this return .....

8		
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I declare under penalties of law that I have examined this return, and to the best of my knowledge and belief, it is correct and complete.

**sign  
here**

Authorized Signature

Date

Signature of Preparer Other Than Taxpayer

Date

Title

Daytime Phone Number

Daytime Phone Number

Email Address

Email Address

**This return is due on or before the 20th day of the month following the tax period indicated above.**

Mail this return and payment to: **Nebraska Department of Revenue, PO Box 98923, Lincoln, NE 68509-8923.  
revenue.nebraska.gov, 800-742-7474 (NE and IA), 402-471-5729**

## Instructions

For additional information about use tax, see the [Nebraska Use Tax Information Guide](#).

**Who Must File.** Every business purchasing taxable property or services over the Internet, by catalog, or within or outside of Nebraska, without payment of Nebraska and local sales tax, must report use tax. **If you do not have any Nebraska and/or local use tax liability for the tax period indicated on this return, you are not required to file this return.**

**How to File.** Use the following to determine which form to file.

- Businesses licensed to collect sales tax should file a [Nebraska and Local Sales and Use Tax Return, Form 10](#), to report both sales and use taxes. Obtain a license by filing a [Nebraska Tax Application, Form 20](#).
- Businesses not filing Form 10 must file a Nebraska and Local Business Use Tax Return, Form 2, to report use tax on purchases where the Nebraska and local sales taxes were not paid.
- Individuals report use tax on the [Nebraska and Local Individual Use Tax Return, Form 3](#), or may report use tax when they file their [Nebraska Individual Income Tax Return, Form 1040N](#).
- Only in the situation where an individual has a use tax liability AND is claiming a credit for tax properly paid to another state should the Form 2 be filed.

**Transactions Subject to Use Tax.** Use tax is due on all taxable purchases when Nebraska and any applicable local sales tax is not paid. Use tax is due on your cost of property or taxable services. Some examples include:

- Purchase of property (for example, uniforms, magazines, computers, software) from a retailer. This includes the purchase, lease, or rental of aircraft when sales tax has not been collected by the seller or lessor;
- Purchase of taxable services (for example, repair or installation labor on tangible personal property, pest control, building cleaning, motor vehicle towing) from a retailer;
- Purchase of property from outside Nebraska, brought to Nebraska for use or storage;
- An Option 2 contractor that has building materials and fixtures brought into or delivered into Nebraska on which no Nebraska or applicable local sales taxes were paid. When building materials and fixtures are delivered by a supplier to the job site, they are taxed at the rate in effect at the job site.
- Property withdrawn from inventory for use or to be donated; and
- Taxable services purchased and then donated.

**Retention of Records.** Records to substantiate this return must be retained for at least three years following the date of filing or due date of the return, whichever is later.

**Penalty and Interest.** A penalty may be assessed for failure to timely file a return, or for failing to timely pay all tax when due. Interest on the unpaid tax will be assessed from the due date until payment is received.

## Specific Instructions

**Line 1.** The amount subject to use tax is the total cost of all taxable property and services purchased (including charges for delivery, freight, and shipping, paid to the retailer) on which Nebraska and local sales taxes were not paid or were not paid at the correct rate.

**Line 2.** Enter the total **state** use tax due. If you have use tax owed from purchases outside a Good Life District (GLD) or within a GLD but not within a city's boundaries, multiply Line 1 by .055 and enter the amount of use tax due on Line 2. Do NOT complete the GLD Use Tax box. If you have use tax due from purchases within a GLD, that are also within a city's boundaries, complete the GLD box and enter the total from the GLD box Column B on Line 2. Maps of the Good Life Districts can be found on the [Sales Tax Rate Finder](#).

**Aircraft State Use Tax Box.** Report the amount of Line 2 that is from the purchase, lease, or rental of aircraft in the Aircraft State Use Tax box. Aircraft means any contrivance now known, hereafter invented, used, or designed for navigation of or flight in the air. For example this includes airplanes, drones and hot air balloons.

**Local Use Tax Table.** Local use tax is due if the property purchased is delivered in a jurisdiction with local use tax, and you have not paid the local sales tax. [Click here for current city or county codes and rates](#).

Enter in Column A the total cost of property that was delivered within the boundaries of each local taxing jurisdiction where local sales tax was not paid. Multiply each amount by the local jurisdiction's tax rate and enter the result in Column B.

Examples: City or County	Local Code	Local Tax Rate	Column A Amount Subject to Local Use Tax	Column B Local Use Tax (Rate x Column A)
Omaha	1-365	.015	600.00	9.00
Sidney	7-441	.020	500.00	10.00
Wausa	123-514	.010	300.00	3.00
Dakota County	134-922	.005	100.00	0.50

**Line 5.** A credit for tax properly paid in another state will be allowed on property that is subject to Nebraska use tax. The credit must be applied to each item's Nebraska and local use tax due. The credit allowed for each item cannot exceed the total Nebraska and local use tax due on that item.

**Line 8.** All filers are encouraged to make payments electronically. Do not send a check if you are mandated to pay electronically. Those not mandated may attach a check or money order for the amount on line 8, made payable to the Nebraska Department of Revenue.

**Authorized Signature.** This return must be signed by the owner, partner, corporate officer, member of a limited liability company, or individual. If the taxpayer authorizes another person to sign this return, there must be a [power of attorney](#) on file with the Nebraska Department of Revenue.

**Email.** By entering an email address, the taxpayer acknowledges that DOR may contact the taxpayer by email. The taxpayer accepts any risk to confidentiality associated with this method of communication. DOR will send all confidential information by secure email or the State of Nebraska's file share system. If you do not wish to be contacted by email, write "Opt Out" on the line labeled "email address."

Any person who is paid for preparing a taxpayer's return must also sign the return as preparer.