

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 672**

Introduced by Murman, 38; Briese, 41; Dorn, 30; Erdman, 47; Friesen, 34;  
Halloran, 33.

Read first time January 20, 2021

Committee:

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-2704.36, Reissue Revised Statutes of Nebraska; to change a sales
- 3 tax exemption relating to agricultural machinery and equipment; to
- 4 provide an operative date; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2704.36, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3 77-2704.36 (1) Sales and use tax shall not be imposed on the gross  
4 receipts from the sale, lease, or rental of depreciable agricultural  
5 machinery and equipment purchased, leased, or rented on or after January  
6 1, 1993, for use in commercial agriculture.

7 (2) For purposes of this section: 7

8 (a) Agricultural machinery and equipment means tangible personal  
9 property that is used directly in (i) cultivating or harvesting a crop,  
10 (ii) raising or caring for animal life, (iii) protecting the health and  
11 welfare of animal life, including fans, curtains, and climate control  
12 equipment within livestock buildings, or (iv) collecting or processing an  
13 agricultural product on a farm or ranch, regardless of the degree of  
14 attachment to any real property; and

15 (b) Agricultural ~~agricultural~~ machinery and equipment includes, but  
16 is not limited to, header trailers, head haulers, header transports, and  
17 seed tender trailers and excludes any current tractor model as defined in  
18 section 2-2701.01 not permitted for sale in Nebraska pursuant to sections  
19 2-2701 to 2-2711.

20 Sec. 2. This act becomes operative on October 1, 2021.

21 Sec. 3. Original section 77-2704.36, Reissue Revised Statutes of  
22 Nebraska, is repealed.