

ONE HUNDRED SEVENTH LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 186

Introduced by Brandt, 32.

PURPOSE: The economic survival of many towns in Nebraska is dependent on features that encourage residents to continue living there. For some towns, a nonprofit movie theatre is one such feature. However, nonprofit movie theaters in certain jurisdictions in this state have been granted an exemption from state taxes, while others have not. This interim study seeks to improve consistency in granting a tax-exempt status to nonprofit movie theaters based on criteria that uses a clear definition of what constitutes a charitable or educational organization for such purposes and considers whether the nonprofit movie theatre holds a certificate of exemption under section 501(c)(3) of the Internal Revenue Code.

The issues addressed by this interim study may include, but not be limited to:

(1) Identifying the location of operating nonprofit movie theaters in Nebraska;

(2) Ascertaining the tax exempt status of identified nonprofit movie theaters;

(3) Evaluating the criteria used to assign and reject a tax exemption for such nonprofit movie theaters; and

(4) Examining the use of terms charitable and educational in designating a tax exempt status.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED SEVENTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Revenue Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report

of its findings, together with its recommendations, to the Legislative Council or Legislature.