

## LEGISLATIVE BILL 254

Approved by the Governor February 25, 1977

Introduced by Carsten, 2

AN ACT to amend section 53-160, Reissue Revised Statutes of Nebraska, 1943, relating to liquors; to delete the prohibition against an occupation tax on bottle clubs; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 53-160, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

53-160. For the purpose of raising revenue a tax is imposed upon the privilege of engaging in business as a manufacturer or as a distributor at wholesale at a rate of ten cents per gallon on all beer, regardless of alcoholic content; seventy-five cents per gallon for wine and other dilute alcoholic beverages; and two dollars per gallon on alcohol and spirits manufactured and sold by such manufacturer or imported for sale in this state by such distributor at wholesale in the course of such business; Provided, manufacturers or distributors at wholesale of alcoholic liquors shall be exempt from the payment of such gallonage tax imposed on such liquors, upon satisfactory proof, including bills of lading furnished to the commission by affidavit or otherwise as the commission may require, that such liquors were manufactured in this state but were shipped out of the state for sale and consumption outside the State of Nebraska; and provided further, that dry wines or fortified wines manufactured or imported solely and exclusively for sacramental purposes and uses shall not be subject to the tax provided in this section. This tax is not imposed upon any alcoholic liquor, whether manufactured in or imported into this state when sold to a nonbeverage user, as defined in section 53-103, licensed by the state for use in the manufacture of any of the following when they are unfit for beverage purposes: Patent and proprietary medicines and medicinal, antiseptic, and toilet preparations; flavoring extracts and syrups and food products; scientific, industrial and chemical products, excepting denatured alcohol; or for scientific, chemical, experimental or mechanical purposes; nor is the tax imposed upon the privilege of engaging in any business in interstate commerce or otherwise, which business may not, under the Constitution and statutes of the United States, be made the subject of taxation by this state. The tax herein

imposed shall be in addition to all other occupation or privilege taxes imposed by the State of Nebraska or by any municipal corporation or political subdivision thereof; Provided, notwithstanding any ordinance or charter power to the contrary, no city or village shall impose an occupation tax on the business of any person, firm or corporation licensed under this act and doing business within the boundaries of such city or village in any sum which exceeds double the amount of the license fee required to be paid under this act to obtain such license. ~~7-nor-shall-any-city-or-village-impose-any-occupation-tax-whatsoever-on-the-business-of-any-person, firm, or corporation holding a bottle club license issued under this act and doing business under such license within the boundaries of such city or village.~~ The commission is hereby directed and authorized to collect the taxes herein imposed, and to account for and turn over to the State Treasurer at least once each week all money collected as herein provided. If any alcoholic liquor manufactured in or imported into this state is sold to a licensed manufacturer or distributor of this state to be used solely as an ingredient in the manufacture of any beverage for human consumption, the tax imposed upon such manufacturer or distributor shall be reduced by the amount of the taxes which have been paid as to such alcoholic liquor so used under this act. The net proceeds of all revenue arising hereunder shall inure to the state General Fund.

Sec. 2. That original section 53-160, Reissue Revised Statutes of Nebraska, 1943, is repealed.