

NEBRASKA

Good Life. Great Service.
Dear State Fair Exhibitor:

DEPARTMENT OF REVENUE

This letter from the Nebraska Department of Revenue (DOR) provides you the information necessary to comply with Nebraska's tax law's.

Sales Tax

As an exhibitor making taxable sales, you are required to have a Nebraska Sales Tax Permit. You may apply for a Nebraska Sales Tax Permit by going to our website: revenue.nebraska.gov and completing a Nebraska Tax Application Form 20, either online or by printing, completing, and mailing it to the Nebraska Department of Revenue, PO Box 94818, Lincoln, NE 68509.

All sales of personal property, sales of prepared food and admissions to amusement rides and games of chance are subject to a sales tax of seven- and one-half percent (7.5%). This tax rate includes the five and one-half percent (5.5%) state tax in addition to the Grand Island city tax of two percent (2.0%). However, if you take orders at the state fair and later deliver the order to a Nebraska address outside of Grand Island, please go to our sales tax rate finder on our web site to determine the appropriate local tax rate. For food vendors, the City of Grand Island has an occupation tax that is separate from the state and city sales tax and collected by the city. Please contact the City of Grand Island for more information.

You must file a Nebraska and Local Sales and Use Tax Return, Form 10, by October 20, 2022. You can file the Form 10 electronically on our web site, or for your convenience DOR will mail you a copy of the Form 10 early in October 2022. Whether you file electronically or by paper, this return must be filed by October 20, 2022.

Income tax Withholding

All wages paid by you to your employees for work performed at the Nebraska State Fair are subject to Nebraska income tax withholding, provided they are subject to federal withholding. Nonresident individuals or entities, paid by a business entity or an individual to perform personal services in Nebraska, are also subject to Nebraska withholding when:

- Payment is made to a nonresident individual who is not subject to federal income tax withholding under the Internal Revenue Code (IRC) as an employee: OR
- Payment is made to a nonresident entity and at least 80% of the stock or other controlling interest of the entity is owned by the shareholders, partners, or members who are the individuals performing the personal services;
AND
- The payor maintains an office or transacts business in Nebraska and the payments exceed \$600;
or
- The Payments exceed \$5,000.00

Income Tax

All Income derived from your sales in Nebraska is subject to Nebraska income tax provided your income is subject to federal income tax. Nonresident individuals, partnerships, or corporations are required to apportion their Nebraska-source income and will only be taxed on that portion. Permits are not required for income tax. You merely file the appropriate return.

For more information on these tax programs or to apply for a sales and/or withholding tax permit, you may either call Jason Bailey at 402-471-5704 or email at: jason.bailey@nebraska.gov or Daisha Holland at 402-471-5723 or email at daisha.holland@nebraska.gov

Nebraska Department of Revenue

Tony Fulton, Tax Commissioner

revenue.nebraska.gov

PO Box 94818
Lincoln, Nebraska 68509-4818