Countywide Sales Tax Authority and Apportionment and Custom Meat Processing Sales Tax Exemption Certificate; HB 2275

HB 2275 authorizes the submission of local sales taxes to voters in Finney, Jackson, Pawnee, and Seward counties; modifies the apportionment of countywide sales taxes; and specifies that a sales tax exemption certificate is not required for the sales tax exemption for certain custom meat processing services.

County Sales Tax Authorizations

Finney County

The bill authorizes the Board of County Commissioners of Finney County to submit to the voters of the county a question of imposing a 0.5 percent countywide sales tax for the purpose of financing the construction or remodeling of a courthouse, jail, law enforcement center facility, or other county administrative facility.

Such sales tax expires once revenue sufficient to pay costs incurred in financing such a facility is collected.

The proceeds of the tax are to be retained by the county government and not be subject to apportionment with the cities within the county.

Jackson County

The bill authorizes the Jackson County Board of County Commissioners to submit to the voters of the county a question of imposing a countywide sales tax of 0.25 percent for the purpose of supporting hospital services in the county.

Proceeds from the tax are not subject to apportionment with the cities within Jackson County and are to be entirely retained by the county.

The sales tax authorized by the bill expires after ten years from the date the tax is first collected.

Pawnee County

The bill authorizes the Pawnee County Board of County Commissioners to submit to the voters of the county a question of imposing a countywide sales tax of up to 1.0 percent for the purpose of financing the provision of health care services and furnishing and equipping county public safety operations.

The bill requires the health care services to be financed to be listed in the question submitted to the voters, and public safety operations are those deemed necessary by the Pawnee County Board of County Commissioners.

Seward County

The bill authorizes the Board of County Commissioners of Seward County to submit to the voters of the county a question of imposing a countywide sales tax at a rate of 0.5 percent for the purpose of financing road and bridge construction projects.

The tax expires ten years from the date first collected and can be extended for additional ten-year periods upon additional elections.

The proceeds of the tax are not subject to apportionment with the cities within Seward County.

Countywide Sales Tax Apportionment

The bill requires the apportionment of sales tax revenue among cities and counties that is based on the proportion of the tax levied by each city and county to remain unchanged between July 1, 2025, and December 31, 2026.

[*Note:* The apportionment of such revenue based on population is unaffected by the bill.]

Custom Meat Processing Sales Tax Exemption Certificate

The bill authorizes the sales tax exemption in continuing law for sales of the services of slaughtering, butchering, custom cutting, dressing, processing, or packaging of an animal for the customer's own use or consumption to be claimed without a requirement that exemption certificates or forms be provided by the purchaser or collected or maintained by the seller.

The bill also clarifies that a seller of such services who believes a sale qualifies for the exemption does not have the burden of proving the sale is not subject to tax; however, a purchaser wrongly claiming the exemption is still liable for any unpaid taxes.