

# **SWNPHD Legal Training Pt. 2**

**Rachel Lookadoo, JD**



# Who am I?

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# Agenda

- Tax Exemptions
- LB 692
- Interlocal Cooperation Act/Interlocal Agreements



# Tax Exemptions

- Range of exemptions to taxes in the state of Nebraska
- Sales Tax - most predominant
  - Educational Institutions
  - Non-profit Organizations
  - Religious Organizations
  - Governmental Units



# What is a “Governmental Unit”?

- State of Nebraska
- Municipality
- County or township
- Other entities such as, Natural Resource Districts, Airport Authorities, etc.
- Nonprofit corporation formed by an exempt governmental units



# What about Public Health Departments?

- No specific exemption for public health departments HOWEVER
- An organization established under the Interlocal Cooperation Act is exempt *only if* it is comprised entirely of exempt governmental units
- Must have applied for and received a Nebraska Exempt Organization Certificate of Exemption from Nebraska Department of Revenue



# P-Card Exemptions

- State of Nebraska Purchasing Card allows government employees to make tax-exempt purchases
- Purchases made for work using *any other* card are considered employee purchases and are not exempt



# Tax Exemptions (Hotels, Lodging, etc.)

- Governmental units also exempt from lodging taxes
- Exempt organizations must provide the hotel or lodging establishment with a Form 13
- Employees personally paying for lodging, *even if reimbursed*, are not eligible for exemption

RESET FORM
PRINT FORM

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## Nebraska Resale or Exempt Sale Certificate

### for Sales Tax Exemption

FORM  
**13**

Name and Mailing Address of Purchaser			Name and Mailing Address of Seller		
Name			Name		
Legal Name					
Street or Other Mailing Address			Street or Other Mailing Address		
City	State	Zip Code	City	State	Zip Code

**Check Type of Certificate**

Single Purchase    If single purchase is checked, enter the related invoice or purchase order number

Blanket                If blanket is checked, this certificate is valid until revoked in writing by the purchaser.

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I hereby certify that the purchase, lease, or rental by the above purchaser is exempt from the Nebraska sales tax for the following reason:

**Check One**    Purchase for Resale (Complete Section A.)    Exempt Purchase (Complete Section B.)    Contractor (Complete Section C.)





# LB 692 – Nebraska Health Care Funding Act

- Passed in 2001, Amended Neb. Rev. Stat. 71-1626 – 71-1627
- Provided funding to local public health departments to carry out core public health functions:
  - Assessment,
  - Policy Development, and
  - Assurance
- Carried out by:
  - Emphasizing services to prevent illness, disease, and disability;
  - Promoting effective coordination and use of community resources;
  - Extending health services into the community, including public health nursing, disease prevention and control, public health education, and environmental health services



# LB 692 Continued

- Sections 5 and 6 of LB692 explicitly called for counties to come together and develop or join interlocal agreements in order to form district public health departments



# Interlocal Cooperation Act

- Neb. Rev. Stat. 13-801 – 13-827
- Allows local government entities or other public agencies to contract with each other to simplify or consolidate processes
- Intended to increase government efficiency



# ICA – Who?

- Neb. Rev. Stat. 13-803
- Can be an agreement between any
  - County
  - City
  - Village
  - School District
  - State or Federal Government Agency
  - Sanitary and Improvement District
  - Other Municipal Corporation or Political Subdivision of Nebraska
  - Any Political Subdivision of Another State



# ICA – Why?

- Ease of conducting public operations
  - Collaborations relating to maintenance such as snow removal or landscaping
  - School districts sharing facilities with other public entities
- Creation of Public Health Department
  - County Commissioners make an agreement to create a new legal entity such as a health department
    - SWNPHD – agreement between Chase, Dundy, Frontier, Furnas, Hayes, Hitchcock, Keith, Perkins, Red Willow Counties



# ICA – Agreement Requirements

- Neb. Rev. Stat. 13-804
- These agreements must outline:
  - Duration of agreement;
  - Purpose of the agreement;
  - How it will be financed and budgeted;
  - How it can be terminated;
  - Whether and how any taxes will be levied as part of the agreement;
  - Whether a separate legal entity will be created by the agreement, and how it will be structured; and
  - “Any other necessary and proper matters.”



# ICA – Legal Entity Powers

- Neb. Rev. Stat. 13-804
- Any entity created by an ICA has the power to:
  - Sue and be sued;
  - Have a seal;
  - Make and execute contracts and other legal instruments,
  - Make, amend, and repeal bylaws, rules, and regulations



# Questions?







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