

● **NEBRASKA REVENUE ACT OF 1967**

STATUTORY CITATION: Neb. Rev. Stat. §§ 77-2701 – 77-27,135.01

GENERAL SUMMARY: The Nebraska Revenue Act imposes a tax on the income of every resident of the state, and on the income of non-residents which is derived from sources within the state, including earnings from employment. In general, every employer transacting business in Nebraska and making payment of any wages subject to federal income tax withholding, must also deduct and withhold state income taxes from such wages.

No later than the following February 15 — or within 30 days after the last payment of wages, in the case of a worker whose job ended before the end of the year — the employer is required to provide the worker with a written statement showing the total amount of wages paid to the worker throughout the year and the amount of state income tax withheld.

PROVISIONS APPLICABLE TO AGRICULTURE: Under the U.S. Internal Revenue Code, agricultural employers who pay at least \$2,500 in wages for agricultural labor during the year are required to deduct and withhold federal income tax from the wages of their agricultural employees. In those cases, farm employers in Nebraska must also withhold state income tax from their workers' wages.

Likewise, an employer whose annual agricultural payroll expenditures amount to less than \$2,500, but who pays at least \$150 in cash agricultural wages to a particular worker during the year, is required to withhold federal income tax from that worker's wages, and thus would be obligated to withhold state income tax as well.

SPECIAL NOTES OR ADVISORIES

TAX RETURNS AND LIABILITY — Even if exempt from tax withholding, a farmworker may be required to file an annual state income tax return and may be liable for payment of taxes, depending on total net income during the tax year and other circumstances.

ADMINISTRATION AND ENFORCEMENT

PRIMARY ENFORCEMENT AGENCY — *Compliance Division, Nebraska Department of Revenue, Lincoln, Nebraska 68509 (402-471-5913).*

SECONDARY OR ASSOCIATED ENFORCEMENT AGENCY — *None.*