



**Dave Heineman**  
Governor

# STATE OF NEBRASKA

DEPARTMENT OF REVENUE

**Douglas A. Ewald**, Tax Commissioner

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December 18, 2008

U.S. General Services Administration  
Office of Charge Card Management  
Attention: Camesha Everett  
2200 Crystal Drive, Room 500  
Arlington, VA 22202

Dear Ms. Everett:

I am responding to your letter dated July 16, 2008, requesting tax exemption for Federal Government purchases made under the United States General Services Administration (GSA) SmartPay® charge card program. I apologize for the delay in responding to your letter, however, it appears that the Department did not receive the GSA's July mailing.

Purchases made using a government charge card on which all charges are directly paid (not reimbursed) by the governmental unit are **exempt** from Nebraska tax. However, purchases made using a charge card on which any charges are paid in full or in part by an individual, regardless of whether the billed amount is reimbursed, are **not exempt** from Nebraska tax.

The type of billing method used by the Department of Interior for the GSA SmartPay2 Integrated charge card **does not allow for an exemption of taxes** in the state of Nebraska (card numbers starting with 5568 26). The billing method comingles centrally billed and individually billed accounts on the same charge card. Purchases made on comingled accounts are **not exempt**. These charge cards must be listed with the Individually Billed Accounts (IBA's) for purposes of Nebraska tax exemptions. I have forwarded the Department of Interior this same information.

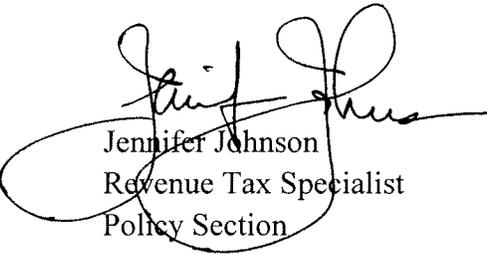
If any other United States agencies are using the same type of SmartPay® charge card as the Department of Interior, those agencies' purchases with the card would likewise not be exempt.

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If you have any questions regarding this matter, please contact me at (402) 471-6003 or e-mail me at [jennifer.johnson@nebraska.gov](mailto:jennifer.johnson@nebraska.gov).

FOR THE TAX COMMISSIONER

Sincerely,



Jennifer Johnson  
Revenue Tax Specialist  
Policy Section