

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1006

Introduced by Walz, 15.

Read first time January 05, 2024

Committee: Education

1 A BILL FOR AN ACT relating to the Tax Equity and Educational
2 Opportunities Support Act; to amend section 79-1005.01, Revised
3 Statutes Cumulative Supplement, 2022; to change provisions relating
4 to allocated income tax funds; and to repeal the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 79-1005.01, Revised Statutes Cumulative
2 Supplement, 2022, is amended to read:

3 79-1005.01 (1) Not later than November 15 of each year, the Tax
4 Commissioner shall certify to the department for the preceding tax year
5 the income tax liability of resident individuals for each local system.

6 ~~(2) For school fiscal years prior to 2017-18, one hundred two~~
7 ~~million two hundred eighty-nine thousand eight hundred seventeen dollars~~
8 ~~which is equal to the amount appropriated to the School District Income~~
9 ~~Tax Fund for distribution in school fiscal year 1992-93 shall be~~
10 ~~disbursed as option payments as determined under section 79-1009 and as~~
11 ~~allocated income tax funds as determined in this section and sections~~
12 ~~79-1008.01, 79-1015.01, 79-1017.01, and 79-1018.01. For school fiscal~~
13 ~~years prior to school fiscal year 2017-18, funds not distributed as~~
14 ~~allocated income tax funds due to minimum levy adjustments shall not~~
15 ~~increase the amount available to local systems for distribution as~~
16 ~~allocated income tax funds.~~

17 ~~(3) Using the data certified by the Tax Commissioner pursuant to~~
18 ~~subsection (1) of this section, the department shall calculate the~~
19 ~~allocation percentage and each local system's allocated income tax funds.~~
20 ~~The allocation percentage shall be the amount stated in subsection (2) of~~
21 ~~this section minus the total amount paid for option students pursuant to~~
22 ~~section 79-1009, with the difference divided by the aggregate statewide~~
23 ~~income tax liability of all resident individuals certified pursuant to~~
24 ~~subsection (1) of this section. Each local system's allocated income tax~~
25 ~~funds shall be calculated by multiplying the allocation percentage times~~
26 ~~the local system's income tax liability certified pursuant to subsection~~
27 ~~(1) of this section.~~

28 ~~(2) (4) For school fiscal years prior to school fiscal year 2025-26~~
29 ~~year 2017-18 and each school fiscal year thereafter, each local system's~~
30 ~~allocated income tax funds shall be calculated by multiplying the local~~
31 ~~system's income tax liability certified pursuant to subsection (1) of~~

1 this section by two and twenty-three hundredths percent.

2 (3) For school fiscal year 2025-26 and each school fiscal year
3 thereafter, each local system's allocated income tax funds shall be
4 calculated by multiplying the local system's income tax liability
5 certified pursuant to subsection (1) of this section by twenty percent.

6 Sec. 2. Original section 79-1005.01, Revised Statutes Cumulative
7 Supplement, 2022, is repealed.