

One Hundred Second Legislature - First Session - 2011

Introducer's Statement of Intent

LB134

Chairperson: Senator Abbie Cornett

Committee: Revenue

Date of Hearing: January 19, 2011

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 134 is the annual bill designed to update references in all Nebraska statutes to the most recent version of the federal Internal Revenue Code as it exists on the effective date of the bill, except as provided by:

- (1) Article VIII, section 1B, of the Nebraska Constitution, which states that "When an income tax is adopted by the Legislature, the Legislature may adopt an income tax law based upon the laws of the United States";
- (2) The statute sections listed in section 1 of the bill that govern Nebraska's income tax; and
- (3) The statute sections listed in section 1 of the bill that govern Nebraska's business tax incentive programs.

LB 134 would update Neb. Rev. Stat. sec. 49-801.01 to accomplish that purpose. The most recent version of the Internal Revenue Code would be the version in existence on the effective date of LB 134, which contains the emergency clause.

April 6, 2010, is the applicable date under the current statute; so, Nebraska's statutes need to be updated to coordinate with changes made by Congress to the Internal Revenue Code since that date.

Principal Introducer: _____

Senator Abbie Cornett