



Hundredth Legislature - First Session - 2007
Committee Statement
LB 331

Hearing Date: January 31, 2007
Committee On: Revenue

Introducer(s): (Janssen)

Title: Eliminate the estate tax and sales tax on construction services and change income tax calculations

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - Advanced to General File with Amendments
 - X Indefinitely Postponed
-

Vote Results:

7	Yes	Senators Burling, Cornett, Janssen, Langemeier, Preister, Raikes and White
0	No	
0	Present, not voting	
1	Absent	Senator Dierks

Proponents:

Senator Ray Janssen
Governor Dave Heineman
Doug Ewald
Senator Gwen Howard
Richard Baier
John Cederberg

Blaine Wilcoxson
Mark Benjamin
William J. Lindsay, Jr.

Representing:

Introducer, at the request of the Governor
State of Nebraska
Department of Revenue
Legislative District 9
Nebraska Department of Economic Development
Himself, NE Chamber of Commerce & Industry,
Lincoln Chamber of Commerce, Greater Omaha
Chamber of Commerce, Nebraska Bankers
Association, Bellevue Chamber of Commerce,
Nebraska Federation of Independent Business,
Nebraska Economic Developers Association,
Nebraska Diplomats
AGC, MCA, NECA
AGC, MCA, NECA
Coalition for Repeal of the Nebraska Estate Tax,
Greater Omaha Chamber of Commerce, Lincoln
Chamber of Commerce, Lincoln Estate Planning
Council, Nebraska Bankers, Nebraska Cattlemen,
Nebraska Chamber of Commerce & Industry,
Nebraska Farm Bureau Federation, Nebraska

Walter Radcliffe	Federation of Independent Business, Nebraska Home Builders Association, Nebraska Independent Community Bankers, Nebraska New Car & Truck Dealers Association, Omaha Estate Planning Council
Curt Beck	Nebraska Realtors Association, Nebraska State Homebuilders Association Associated General Contractors, NE Chapter, Eastern Nebraska Development Council, Nebraska Association of Commercial Property Owners
Keith Olsen	Nebraska Farm Bureau

Opponents:

Jennifer Carter

Mark Vasina
Rev. Jay Schmidt
John K. Hansen
Jack Cheloha
Sarah Ann Lewis

Representing:

Nebraska Appleseed Center for Law in the Public
Interest
Nebraskans for Peace
Himself
Nebraska Farmers Union
City of Omaha
Voices for Children in Nebraska

Neutral:

None

Representing:

Summary of purpose and/or changes:

LB 331 was the Governor’s primary bill to reduce taxes. It would have repealed the Nebraska estate tax and generation-skipping transfer tax, eliminated the sales tax on construction labor on commercial properties, and significantly revised the income tax by 1) reducing the number of brackets from four to three, 2) broadening the size of the income tax brackets, 3) increasing the standard deduction for married individuals so that it was twice the single standard deduction, 4) adjusting the brackets for inflation beginning in 2011, and 5) reducing the income tax rate on the highest bracket over three years.

Explanation of amendments, if any:

Senator Ray Janssen, Chairperson