



One Hundred First Legislature - Second Session - 2010
Introducer's Statement of Intent
LB 958

Chairperson: Abbie Cornett
Committee: Revenue
Date of Hearing: January 29, 2010

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

LB 958 provides that up to \$20,000 of the federal adjusted gross income that comes from retirement benefits would be excluded from state income tax, with the exclusion phased in over a three-year period starting in 2011. Eligible retirement benefits would include Social Security benefits, public pension benefits, military retirement benefits, and other qualified retirement income under the Internal Revenue Code.

Under LB 958, taxpayers filing a single return in 2011 would be able to exclude up to \$10,000 in retirement income. If both spouses receive qualifying retirement income, the exclusion would be up to \$20,000. The exclusion would be phased in over a three-year period, increasing the excluded amount each year until the \$20,000 maximum exclusion for single taxpayers is reached in 2013.

Principal Introducer: _____
Senator Robert Giese