

AMENDMENTS TO LB776

Introduced by Revenue.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 77-2704.24, Reissue Revised Statutes of Nebraska,
4 is amended to read:

5 77-2704.24 (1) Sales and use taxes shall not be imposed on the gross
6 receipts from the sale, lease, or rental of and the storage, use, or
7 other consumption in this state of food or food ingredients except for
8 prepared food and food sold through vending machines.

9 (2) For purposes of this section:

10 (a) Alcoholic beverages means beverages that are suitable for human
11 consumption and contain one-half of one percent or more of alcohol by
12 volume;

13 (b) Dietary supplement means any product, other than tobacco,
14 intended to supplement the diet that contains one or more of the
15 following dietary ingredients: (i) A vitamin, (ii) a mineral, (iii) an
16 herb or other botanical, (iv) an amino acid, (v) a dietary substance for
17 use by humans to supplement the diet by increasing the total dietary
18 intake, or (vi) a concentrate, metabolite, constituent, extract, or
19 combination of any ingredients described in subdivisions (2)(b)(i)
20 through (v) of this section; that is intended for ingestion in tablet,
21 capsule, powder, softgel, gelcap, or liquid form or, if not intended for
22 ingestion in such a form, is not presented as conventional food and is
23 not represented for use as a sole item of a meal or of the diet; and that
24 is required to be labeled as a dietary supplement, identifiable by the
25 supplemental facts box found on the label and as required pursuant to 21
26 C.F.R. 101.36, as such regulation existed on January 1, 2003;

27 (c) Food and food ingredients means substances, whether in liquid,

1 concentrated, solid, frozen, dried, or dehydrated form, that are sold for
2 ingestion or chewing by humans and are consumed for their taste or
3 nutritional value. Food and food ingredients does not include alcoholic
4 beverages, dietary supplements, or tobacco;

5 (d) Food sold through vending machines means food that is dispensed
6 from a machine or other mechanical device that accepts payment;

7 (e) Prepared food means:

8 (i) Food sold with eating utensils provided by the seller, including
9 plates, knives, forks, spoons, glasses, cups, napkins, or straws. A plate
10 does not include a container or packaging used to transport the food; or
11 ~~and~~

12 (ii) Two or more food ingredients mixed or combined by the seller
13 for sale as a single item and food sold in a heated state or heated by
14 the seller, except:

15 (A) Food that is only cut, repackaged, or pasteurized by the seller;

16 (B) Eggs, fish, meat, poultry, and foods containing these raw animal
17 foods requiring cooking by the consumer as recommended by the federal
18 Food and Drug Administration in chapter 3, part 401.11 of its Food Code,
19 as it existed on January 1, 2003, so as to prevent food borne illnesses;

20 (C) Food sold by a seller whose proper primary North American
21 Industry Classification System classification is manufacturing in sector
22 311, except subsector 3118, bakeries;

23 (D) Food sold in an unheated state by weight or volume as a single
24 item; ~~and~~

25 (E) Bakery items, including bread, rolls, buns, biscuits, bagels,
26 croissants, pastries, donuts, danish, cakes, tortes, pies, tarts,
27 muffins, bars, cookies, and tortillas; and

28 (F) Food that ordinarily requires additional cooking to finish the
29 product to its desired final condition; and

30 (f) Tobacco means cigarettes, cigars, chewing or pipe tobacco, or
31 any other item that contains tobacco.

1 Sec. 2. Section 77-2712.03, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 77-2712.03 (1) The streamlined sales and use tax agreement, as
4 adopted by the streamlined sales tax implementing states on November 12,
5 2002, including amendments through December 31, 2015 ~~2010~~, is hereby
6 ratified by the Legislature. The Governor shall enter into the agreement
7 with one or more states to simplify and modernize sales and use tax
8 administration in order to substantially reduce the burden of tax
9 compliance for all sellers and for all types of commerce. In furtherance
10 of the agreement, the Department of Revenue is authorized to act jointly
11 with other states that are members under Articles VII or VIII of the
12 agreement to establish standards for certification of a certified service
13 provider and certified automated system and establish performance
14 standards for multistate sellers. The department is further authorized to
15 take other actions permissible under law reasonably required to implement
16 the provisions set forth in the agreement. Other actions authorized by
17 this section include, but are not limited to, the adoption and
18 promulgation of rules and regulations and the joint procurement, with
19 other member states, of goods and services in furtherance of the
20 agreement.

21 (2) The Tax Commissioner or his or her designee and two
22 representatives of the Legislature appointed by the Executive Board of
23 the Legislative Council are authorized to represent Nebraska before the
24 other member states under the agreement. The state also agrees to
25 participate in and comply with the procedures of and decisions made by
26 the governing board of the member states. These provisions of the
27 agreement include the creation of the organization as provided in Article
28 VII of the agreement, the requirements for state entry and withdrawal as
29 provided in Article VIII of the agreement, amendments to the agreement as
30 provided in Article IX of the agreement, and a dispute resolution process
31 as provided in Article X of the agreement.

1 Sec. 3. Section 77-2716, Revised Statutes Supplement, 2015, is
2 amended to read:

3 77-2716 (1) The following adjustments to federal adjusted gross
4 income or, for corporations and fiduciaries, federal taxable income shall
5 be made for interest or dividends received:

6 (a)(i) (a) There shall be subtracted interest or dividends received
7 by the owner of obligations of the United States and its territories and
8 possessions or of any authority, commission, or instrumentality of the
9 United States to the extent includable in gross income for federal income
10 tax purposes but exempt from state income taxes under the laws of the
11 United States; and

12 (ii) There shall be subtracted interest received by the owner of
13 obligations of the State of Nebraska or its political subdivisions or
14 authorities which are Build America Bonds to the extent includable in
15 gross income for federal income tax purposes;

16 (b) There shall be subtracted that portion of the total dividends
17 and other income received from a regulated investment company which is
18 attributable to obligations described in subdivision (a) of this
19 subsection as reported to the recipient by the regulated investment
20 company;

21 (c) There shall be added interest or dividends received by the owner
22 of obligations of the District of Columbia, other states of the United
23 States, or their political subdivisions, authorities, commissions, or
24 instrumentalities to the extent excluded in the computation of gross
25 income for federal income tax purposes except that such interest or
26 dividends shall not be added if received by a corporation which is a
27 regulated investment company;

28 (d) There shall be added that portion of the total dividends and
29 other income received from a regulated investment company which is
30 attributable to obligations described in subdivision (c) of this
31 subsection and excluded for federal income tax purposes as reported to

1 the recipient by the regulated investment company; and

2 (e)(i) Any amount subtracted under this subsection shall be reduced
3 by any interest on indebtedness incurred to carry the obligations or
4 securities described in this subsection or the investment in the
5 regulated investment company and by any expenses incurred in the
6 production of interest or dividend income described in this subsection to
7 the extent that such expenses, including amortizable bond premiums, are
8 deductible in determining federal taxable income.

9 (ii) Any amount added under this subsection shall be reduced by any
10 expenses incurred in the production of such income to the extent
11 disallowed in the computation of federal taxable income.

12 (2) There shall be allowed a net operating loss derived from or
13 connected with Nebraska sources computed under rules and regulations
14 adopted and promulgated by the Tax Commissioner consistent, to the extent
15 possible under the Nebraska Revenue Act of 1967, with the laws of the
16 United States. For a resident individual, estate, or trust, the net
17 operating loss computed on the federal income tax return shall be
18 adjusted by the modifications contained in this section. For a
19 nonresident individual, estate, or trust or for a partial-year resident
20 individual, the net operating loss computed on the federal return shall
21 be adjusted by the modifications contained in this section and any
22 carryovers or carrybacks shall be limited to the portion of the loss
23 derived from or connected with Nebraska sources.

24 (3) There shall be subtracted from federal adjusted gross income for
25 all taxable years beginning on or after January 1, 1987, the amount of
26 any state income tax refund to the extent such refund was deducted under
27 the Internal Revenue Code, was not allowed in the computation of the tax
28 due under the Nebraska Revenue Act of 1967, and is included in federal
29 adjusted gross income.

30 (4) Federal adjusted gross income, or, for a fiduciary, federal
31 taxable income shall be modified to exclude the portion of the income or

1 loss received from a small business corporation with an election in
2 effect under subchapter S of the Internal Revenue Code or from a limited
3 liability company organized pursuant to the Nebraska Uniform Limited
4 Liability Company Act that is not derived from or connected with Nebraska
5 sources as determined in section 77-2734.01.

6 (5) There shall be subtracted from federal adjusted gross income or,
7 for corporations and fiduciaries, federal taxable income dividends
8 received or deemed to be received from corporations which are not subject
9 to the Internal Revenue Code.

10 (6) There shall be subtracted from federal taxable income a portion
11 of the income earned by a corporation subject to the Internal Revenue
12 Code of 1986 that is actually taxed by a foreign country or one of its
13 political subdivisions at a rate in excess of the maximum federal tax
14 rate for corporations. The taxpayer may make the computation for each
15 foreign country or for groups of foreign countries. The portion of the
16 taxes that may be deducted shall be computed in the following manner:

17 (a) The amount of federal taxable income from operations within a
18 foreign taxing jurisdiction shall be reduced by the amount of taxes
19 actually paid to the foreign jurisdiction that are not deductible solely
20 because the foreign tax credit was elected on the federal income tax
21 return;

22 (b) The amount of after-tax income shall be divided by one minus the
23 maximum tax rate for corporations in the Internal Revenue Code; and

24 (c) The result of the calculation in subdivision (b) of this
25 subsection shall be subtracted from the amount of federal taxable income
26 used in subdivision (a) of this subsection. The result of such
27 calculation, if greater than zero, shall be subtracted from federal
28 taxable income.

29 (7) Federal adjusted gross income shall be modified to exclude any
30 amount repaid by the taxpayer for which a reduction in federal tax is
31 allowed under section 1341(a)(5) of the Internal Revenue Code.

1 (8)(a) Federal adjusted gross income or, for corporations and
2 fiduciaries, federal taxable income shall be reduced, to the extent
3 included, by income from interest, earnings, and state contributions
4 received from the Nebraska educational savings plan trust created in
5 sections 85-1801 to 85-1814 and any account established under the
6 achieving a better life experience program as provided in sections
7 77-1401 to 77-1409.

8 (b) Federal adjusted gross income or, for corporations and
9 fiduciaries, federal taxable income shall be reduced by any contributions
10 as a participant in the Nebraska educational savings plan trust or
11 contributions to an account established under ~~in~~ the achieving a better
12 life experience program made for the benefit of a beneficiary as provided
13 in sections 77-1401 to 77-1409, to the extent not deducted for federal
14 income tax purposes, but not to exceed five thousand dollars per married
15 filing separate return or ten thousand dollars for any other return. With
16 respect to a qualified rollover within the meaning of section 529 of the
17 Internal Revenue Code from another state's plan, any interest, earnings,
18 and state contributions received from the other state's educational
19 savings plan which is qualified under section 529 of the code shall
20 qualify for the reduction provided in this subdivision. For contributions
21 by a custodian of a custodial account including rollovers from another
22 custodial account, the reduction shall only apply to funds added to the
23 custodial account after January 1, 2014.

24 (c) Federal adjusted gross income or, for corporations and
25 fiduciaries, federal taxable income shall be increased by:

26 (i) The ~~the~~ amount resulting from the cancellation of a
27 participation agreement refunded to the taxpayer as a participant in the
28 Nebraska educational savings plan trust to the extent previously deducted
29 under subdivision (8)(b) of this section; and

30 (ii) The amount of any withdrawals by the owner of an account
31 established under ~~as a contribution to the trust or in~~ the achieving a

1 better life experience program as provided in sections 77-1401 to 77-1409
2 for nonqualified expenses to the extent previously deducted under
3 subdivision (8)(b) of this section ~~, if applicable.~~

4 (9)(a) For income tax returns filed after September 10, 2001, for
5 taxable years beginning or deemed to begin before January 1, 2006, under
6 the Internal Revenue Code of 1986, as amended, federal adjusted gross
7 income or, for corporations and fiduciaries, federal taxable income shall
8 be increased by eighty-five percent of any amount of any federal bonus
9 depreciation received under the federal Job Creation and Worker
10 Assistance Act of 2002 or the federal Jobs and Growth Tax Act of 2003,
11 under section 168(k) or section 1400L of the Internal Revenue Code of
12 1986, as amended, for assets placed in service after September 10, 2001,
13 and before December 31, 2005.

14 (b) For a partnership, limited liability company, cooperative,
15 including any cooperative exempt from income taxes under section 521 of
16 the Internal Revenue Code of 1986, as amended, limited cooperative
17 association, subchapter S corporation, or joint venture, the increase
18 shall be distributed to the partners, members, shareholders, patrons, or
19 beneficiaries in the same manner as income is distributed for use against
20 their income tax liabilities.

21 (c) For a corporation with a unitary business having activity both
22 inside and outside the state, the increase shall be apportioned to
23 Nebraska in the same manner as income is apportioned to the state by
24 section 77-2734.05.

25 (d) The amount of bonus depreciation added to federal adjusted gross
26 income or, for corporations and fiduciaries, federal taxable income by
27 this subsection shall be subtracted in a later taxable year. Twenty
28 percent of the total amount of bonus depreciation added back by this
29 subsection for tax years beginning or deemed to begin before January 1,
30 2003, under the Internal Revenue Code of 1986, as amended, may be
31 subtracted in the first taxable year beginning or deemed to begin on or

1 after January 1, 2005, under the Internal Revenue Code of 1986, as
2 amended, and twenty percent in each of the next four following taxable
3 years. Twenty percent of the total amount of bonus depreciation added
4 back by this subsection for tax years beginning or deemed to begin on or
5 after January 1, 2003, may be subtracted in the first taxable year
6 beginning or deemed to begin on or after January 1, 2006, under the
7 Internal Revenue Code of 1986, as amended, and twenty percent in each of
8 the next four following taxable years.

9 (10) For taxable years beginning or deemed to begin on or after
10 January 1, 2003, and before January 1, 2006, under the Internal Revenue
11 Code of 1986, as amended, federal adjusted gross income or, for
12 corporations and fiduciaries, federal taxable income shall be increased
13 by the amount of any capital investment that is expensed under section
14 179 of the Internal Revenue Code of 1986, as amended, that is in excess
15 of twenty-five thousand dollars that is allowed under the federal Jobs
16 and Growth Tax Act of 2003. Twenty percent of the total amount of
17 expensing added back by this subsection for tax years beginning or deemed
18 to begin on or after January 1, 2003, may be subtracted in the first
19 taxable year beginning or deemed to begin on or after January 1, 2006,
20 under the Internal Revenue Code of 1986, as amended, and twenty percent
21 in each of the next four following tax years.

22 (11)(a) Federal adjusted gross income shall be reduced by
23 contributions, up to two thousand dollars per married filing jointly
24 return or one thousand dollars for any other return, and any investment
25 earnings made as a participant in the Nebraska long-term care savings
26 plan under the Long-Term Care Savings Plan Act, to the extent not
27 deducted for federal income tax purposes.

28 (b) Federal adjusted gross income shall be increased by the
29 withdrawals made as a participant in the Nebraska long-term care savings
30 plan under the act by a person who is not a qualified individual or for
31 any reason other than transfer of funds to a spouse, long-term care

1 expenses, long-term care insurance premiums, or death of the participant,
2 including withdrawals made by reason of cancellation of the participation
3 agreement or termination of the plan, to the extent previously deducted
4 as a contribution or as investment earnings.

5 (12) There shall be added to federal adjusted gross income for
6 individuals, estates, and trusts any amount taken as a credit for
7 franchise tax paid by a financial institution under sections 77-3801 to
8 77-3807 as allowed by subsection (5) of section 77-2715.07.

9 (13) For taxable years beginning or deemed to begin on or after
10 January 1, 2015, under the Internal Revenue Code of 1986, as amended,
11 federal adjusted gross income shall be reduced by the amount received as
12 benefits under the federal Social Security Act which are included in the
13 federal adjusted gross income if:

14 (a) For taxpayers filing a married filing joint return, federal
15 adjusted gross income is fifty-eight thousand dollars or less; or

16 (b) For taxpayers filing any other return, federal adjusted gross
17 income is forty-three thousand dollars or less.

18 (14) For taxable years beginning or deemed to begin on or after
19 January 1, 2015, under the Internal Revenue Code of 1986, as amended, an
20 individual may make a one-time election within two calendar years after
21 the date of his or her retirement from the military to exclude income
22 received as a military retirement benefit by the individual to the extent
23 included in federal adjusted gross income and as provided in this
24 subsection. The individual may elect to exclude forty percent of his or
25 her military retirement benefit income for seven consecutive taxable
26 years beginning with the year in which the election is made or may elect
27 to exclude fifteen percent of his or her military retirement benefit
28 income for all taxable years beginning with the year in which he or she
29 turns sixty-seven years of age. For purposes of this subsection, military
30 retirement benefit means retirement benefits that are periodic payments
31 attributable to service in the uniformed services of the United States

1 for personal services performed by an individual prior to his or her
2 retirement.

3 Sec. 4. Section 77-2791, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 77-2791 (1) The Tax Commissioner, within the applicable period of
6 limitations, may credit an overpayment of income tax and interest on such
7 overpayment against any liability in respect of any tax imposed by the
8 tax laws of this state on the person who made the overpayment, and the
9 balance shall be refunded by the State Treasurer out of the General Fund.

10 (2) If the amount allowable as a credit for income tax withheld from
11 the taxpayer exceeds his or her tax to which the credit relates, the
12 excess shall be considered an overpayment.

13 (3) A refundable income tax credit is considered an overpayment even
14 if the taxpayer has no income tax liability prior to applying the
15 refundable credit.

16 (~~4~~ 3) If there has been an overpayment of tax required to be
17 deducted and withheld under section 77-2753, refund shall be made to the
18 employer or the payor only to the extent that the amount of the
19 overpayment was not deducted and withheld by the employer or the payor.

20 (~~5~~ 4) The Tax Commissioner may adopt and promulgate rules and
21 regulations providing for the crediting against the estimated income tax
22 for any taxable year of the amount determined to be an overpayment of the
23 income tax for a preceding taxable year.

24 (~~6~~ 5) If any amount of income tax is assessed or collected after the
25 expiration of the period of limitations properly applicable thereto, such
26 amount shall be considered an overpayment.

27 Sec. 5. Section 77-2793, Revised Statutes Cumulative Supplement,
28 2014, is amended to read:

29 77-2793 (1) A claim for credit or refund of an overpayment of any
30 income tax imposed by the Nebraska Revenue Act of 1967 shall be filed by
31 the taxpayer within three years from the time the return was filed or two

1 years from the time the tax was paid, whichever of such periods expires
2 later. If there was no return filed by the taxpayer, a claim for credit
3 or refund of a refundable credit shall be filed by the taxpayer within
4 three years after the due date of the return for the year in which the
5 refundable credit was allowable. No credit or refund shall be allowed or
6 made after the expiration of the period of limitation prescribed in this
7 subsection for the filing of a claim for credit or refund unless a claim
8 for credit or refund is filed by the taxpayer within such period.

9 (2) If a claim for credit or refund of an overpayment ~~or for credit~~
10 ~~or refund of a refundable credit~~ is filed by the taxpayer during the
11 applicable three-year period prescribed in subsection (1) of this
12 section, the amount of the credit or refund shall not exceed the portion
13 of the tax paid or any refundable credit allowable within the three years
14 immediately preceding the filing of the claim plus the period of any
15 extension of time for filing the return if such return was filed prior to
16 the end of the extension of time. If a claim for credit or refund of an
17 overpayment is not filed within the three-year period prescribed in
18 subsection (1) of this section, but is filed within the two-year period
19 prescribed in subsection (1) of this section, the amount of the credit or
20 refund shall not exceed the portion of the tax paid or any refundable
21 credit allowable during the two years immediately preceding the filing of
22 the claim. If no claim is filed, the credit or refund shall not exceed
23 the amount which would be allowable under either of the preceding
24 sentences, as the case may be, if a claim was filed on the date the
25 credit or refund is allowed.

26 (3) If an agreement for an extension of the period for assessment of
27 income taxes is made within the period prescribed in subsection (1) of
28 this section for the filing of a claim for credit or refund, the period
29 for filing claim for credit or for making credit or refund if no claim is
30 filed shall not expire prior to six months after the expiration of the
31 period within which an assessment may be made pursuant to the agreement

1 or any extension thereof.

2 (4) If a taxpayer is required by subsection (1) of section 77-2775
3 to report a change or correction in federal adjusted gross income,
4 taxable income, or tax liability reported on his or her federal income
5 tax return, or to report a change or correction which is treated in the
6 same manner as if it were an overpayment for federal income tax purposes,
7 or to file an amended return with the Tax Commissioner, a claim for
8 credit or refund of any resulting overpayment of tax shall be filed by
9 the taxpayer within two years from the time the notice of such change or
10 correction or such amended return was required to be filed with the Tax
11 Commissioner. If the report or amended return is not filed within the
12 sixty-day period specified in such subsection, interest on any resulting
13 refund or credit shall cease to accrue after such sixtieth day. The
14 amount of such credit or refund shall not exceed the amount of the
15 reduction in tax attributable to such federal change, correction, or
16 items amended on the taxpayer's amended federal income tax return. This
17 subsection shall not affect the time within which or the amount for which
18 a claim for credit or refund may be filed apart from this subsection.

19 (5)(a) If a taxpayer is required by subsection (2) of section
20 77-2775 to report a change or correction in the amount of income taxable
21 or tax credit allowable in one or more states and such changes or
22 corrections when reflected in the return filed under the Nebraska Revenue
23 Act of 1967 as most recently amended would result in an overpayment of
24 tax, a claim for credit or refund shall be filed by the taxpayer within
25 the earlier of (i) two years from the time the notice of such change or
26 correction or such amended return was required to be filed with the Tax
27 Commissioner or (ii) ten years from the due date of the return.

28 (b) If the report or amended return is not filed within the sixty-
29 day period specified in such subsection, interest on any resulting refund
30 or credit shall cease to accrue after such sixtieth day. The amount of
31 such credit or refund shall not exceed the lesser of (i) the reduction in

1 tax attributable to the change or correction in the amount of income
2 taxable or the credit allowable in such other state in the return filed
3 under the Nebraska Revenue Act of 1967 or (ii) the increase in tax
4 actually paid to such other state or states.

5 (c) This subsection shall not affect the time within which or the
6 amount for which a claim for credit or refund may be filed apart from
7 this subsection. This subsection shall apply to changes or corrections
8 which become final on or after May 1, 1993.

9 (6) If the claim for credit or refund relates to an overpayment
10 attributable to a net operating loss carryback derived from or connected
11 with Nebraska sources, the claim may be made under rules and regulations
12 prescribed by the Tax Commissioner consistent, to the extent possible
13 under the Nebraska Revenue Act of 1967, with the laws of the United
14 States.

15 (7) For purposes of this section and section 77-2795, a timely filed
16 petition for redetermination shall be considered a claim for credit or
17 refund filed on the date the notice of deficiency determination was
18 mailed.

19 Sec. 6. Section 77-3508, Revised Statutes Cumulative Supplement,
20 2014, is amended to read:

21 77-3508 (1)(a) All homesteads in this state shall be assessed for
22 taxation the same as other property, except that there shall be exempt
23 from taxation, on any homestead described in subdivision (b) of this
24 subsection, a percentage of the exempt amount as limited by section
25 77-3506.03. The exemption shall be based on the household income of a
26 claimant pursuant to subsections (2) through (4) of this section.

27 (b) The exemption described in subdivision (a) of this subsection
28 shall apply to homesteads of:

29 (i) Veterans as defined in section 80-401.01 who were discharged or
30 otherwise separated with a characterization of honorable or general
31 (under honorable conditions) and who are totally disabled by a non-

1 service-connected accident or illness;

2 (ii) Individuals who have a permanent physical disability and have
3 lost all mobility so as to preclude locomotion without the ~~regular~~ use of
4 a mechanical aid or prostheses;

5 (iii) Individuals who have undergone amputation of both arms above
6 the elbow or who have a permanent partial disability of both arms in
7 excess of seventy-five percent; and

8 (iv) Beginning January 1, 2015, individuals who have a developmental
9 disability as defined in section 83-1205.

10 (c) Application for the exemption described in subdivision (a) of
11 this subsection shall include certification from a qualified medical
12 physician, physician assistant, or advanced practice registered nurse for
13 subdivisions (b)(i) through (b)(iii) of this subsection, certification
14 from the United States Department of Veterans Affairs affirming that the
15 homeowner is totally disabled due to non-service-connected accident or
16 illness for subdivision (b)(i) of this subsection, or certification from
17 the Department of Health and Human Services for subdivision (b)(iv) of
18 this subsection. Such certification from a qualified medical physician,
19 physician assistant, or advanced practice registered nurse or from the
20 Department of Health and Human Services shall be made on forms prescribed
21 by the Department of Revenue. If an individual described in subdivision
22 (b)(ii), (iii), or (iv) of this subsection is granted a homestead
23 exemption pursuant to this section for any year, such individual shall
24 not be required to submit the certification required under this
25 subdivision in succeeding years if no change in medical condition has
26 occurred, except that the county assessor or the Tax Commissioner may
27 request such certification to verify that no change in medical condition
28 has occurred.

29 (2) For 2014, for a married or closely related claimant as described
30 in subsection (1) of this section, the percentage of the exempt amount
31 for which the claimant shall be eligible shall be the percentage in

1 Column B which corresponds with the claimant's household income in Column
2 A in the table found in this subsection.

3	Column A	Column B
4	Household Income	Percentage
5	In Dollars	Of Relief
6	0 through 34,700	100
7	34,701 through 36,400	90
8	36,401 through 38,100	80
9	38,101 through 39,800	70
10	39,801 through 41,500	60
11	41,501 through 43,200	50
12	43,201 through 44,900	40
13	44,901 through 46,600	30
14	46,601 through 48,300	20
15	48,301 through 50,000	10
16	50,001 and over	0

17 (3) For 2014, for a single claimant as described in subsection (1)
18 of this section, the percentage of the exempt amount for which the
19 claimant shall be eligible shall be the percentage in Column B which
20 corresponds with the claimant's household income in Column A in the table
21 found in this subsection.

22	Column A	Column B
23	Household Income	Percentage
24	In Dollars	Of Relief
25	0 through 30,300	100
26	30,301 through 31,700	90
27	31,701 through 33,100	80
28	33,101 through 34,500	70
29	34,501 through 35,900	60

1	35,901 through 37,300	50
2	37,301 through 38,700	40
3	38,701 through 40,100	30
4	40,101 through 41,500	20
5	41,501 through 42,900	10
6	42,901 and over	0

7 (4) For exemption applications filed in calendar year 2015 and each
8 year thereafter, the income eligibility amounts in subsections (2) and
9 (3) of this section shall be adjusted for inflation by the method
10 provided in section 151 of the Internal Revenue Code. The income
11 eligibility amounts shall be adjusted for cumulative inflation since
12 2014. If any amount is not a multiple of one hundred dollars, the amount
13 shall be rounded to the next lower multiple of one hundred dollars.

14 Sec. 7. Sections 3, 4, 5, and 8 of this act become operative for
15 all taxable years beginning or deemed to begin on or after January 1,
16 2016, under the Internal Revenue Code of 1986, as amended. Sections 1 and
17 10 of this act become operative on October 1, 2016. Sections 6 and 11 of
18 this act become operative on January 1, 2017. The other sections of this
19 act become operative on their effective date.

20 Sec. 8. Original section 77-2791, Reissue Revised Statutes of
21 Nebraska, section 77-2793, Revised Statutes Cumulative Supplement, 2014,
22 and section 77-2716, Revised Statutes Supplement, 2015, are repealed.

23 Sec. 9. Original section 77-2712.03, Revised Statutes Cumulative
24 Supplement, 2014, is repealed.

25 Sec. 10. Original section 77-2704.24, Reissue Revised Statutes of
26 Nebraska, is repealed.

27 Sec. 11. Original section 77-3508, Revised Statutes Cumulative
28 Supplement, 2014, is repealed.