

AMENDMENTS TO LB873

Introduced by Revenue.

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

3 Section 1. Section 77-2715.03, Reissue Revised Statutes of Nebraska,
4 is amended to read:

5 77-2715.03 (1) For taxable years beginning or deemed to begin on or
6 after January 1, 2013, and before January 1, 2014, the following brackets
7 and rates are hereby established for the Nebraska individual income tax:

8 Individual Income Tax Brackets and Rates

9 Bracket	Single	Married,	Head of	Married,	Estates	Tax
10 Number	Individuals	Filing	Household	Filing	and	Rate
		Jointly		Separate	Trusts	
12 1	\$0-2,399	\$0-4,799	\$0-4,499	\$0-2,399	\$0-499	2.46%
13 2	\$2,400-	\$4,800-	\$4,500-	\$2,400-	\$500-	
14	17,499	34,999	27,999	17,499	4,699	3.51%
15 3	\$17,500-	\$35,000-	\$28,000-	\$17,500-	\$4,700-	
16	26,999	53,999	39,999	26,999	15,149	5.01%
17 4	\$27,000	\$54,000	\$40,000	\$27,000	\$15,150	
18	and Over	and Over	and Over	and Over	and Over	6.84%

19 (2) For taxable years beginning or deemed to begin on or after
20 January 1, 2014, the following brackets and rates are hereby established
21 for the Nebraska individual income tax:

22 Individual Income Tax Brackets and Rates

23 Bracket	Single	Married,	Head of	Married,	Estates	Tax
24 Number	Individuals	Filing	Household	Filing	and	Rate
		Jointly		Separate	Trusts	
26 1	\$0-2,999	\$0-5,999	\$0-5,599	\$0-2,999	\$0-499	2.46%

1	2	\$3,000-	\$6,000-	\$5,600-	\$3,000-	\$500-	
2		17,999	35,999	28,799	17,999	4,699	3.51%
3	3	\$18,000-	\$36,000-	\$28,800-	\$18,000-	\$4,700-	
4		28,999	57,999	42,999	28,999	15,149	5.01%
5	<u>4</u>	<u>\$29,000</u>	<u>\$58,000</u>	<u>\$43,000</u>	<u>\$29,000</u>	<u>\$15,150</u>	
6		<u>and Over</u>	<u>Top Rate</u>				
7	4	\$29,000	\$58,000	\$43,000	\$29,000	\$15,150	
8		and Over	6.84%				

9 For purposes of this subsection, the top rate shall be:

10 (a) 6.84% for taxable years beginning or deemed to begin on or after
11 January 1, 2014, and before January 1, 2023;

12 (b) 6.64% for taxable years beginning or deemed to begin on or after
13 January 1, 2023, and before January 1, 2024;

14 (c) 6.44% for taxable years beginning or deemed to begin on or after
15 January 1, 2024, and before January 1, 2025;

16 (d) 6.24% for taxable years beginning or deemed to begin on or after
17 January 1, 2025, and before January 1, 2026;

18 (e) 6.00% for taxable years beginning or deemed to begin on or after
19 January 1, 2026, and before January 1, 2027; and

20 (f) 5.84% for taxable years beginning or deemed to begin on or after
21 January 1, 2027.

22 (3)(a) For taxable years beginning or deemed to begin on or after
23 January 1, 2015, the minimum and maximum dollar amounts for each income
24 tax bracket provided in subsection (2) of this section shall be adjusted
25 for inflation by the percentage determined under subdivision (3)(b) of
26 this section. The rate applicable to any such income tax bracket shall
27 not be changed as part of any adjustment under this subsection. The
28 minimum and maximum dollar amounts for each income tax bracket as
29 adjusted shall be rounded to the nearest ten-dollar amount. If the
30 adjusted amount for any income tax bracket ends in a five, it shall be

1 rounded up to the nearest ten-dollar amount.

2 (b)(i) For taxable years beginning or deemed to begin on or after
3 January 1, 2015, and before January 1, 2018, the Tax Commissioner shall
4 adjust the income tax brackets by the percentage determined pursuant to
5 the provisions of section 1(f) of the Internal Revenue Code of 1986, as
6 it existed prior to December 22, 2017, except that in section 1(f)(3)(B)
7 of the code the year 2013 shall be substituted for the year 1992. For
8 2015, the Tax Commissioner shall then determine the percent change from
9 the twelve months ending on August 31, 2013, to the twelve months ending
10 on August 31, 2014, and in each subsequent year, from the twelve months
11 ending on August 31, 2013, to the twelve months ending on August 31 of
12 the year preceding the taxable year. The Tax Commissioner shall prescribe
13 new tax rate schedules that apply in lieu of the schedules set forth in
14 subsection (2) of this section.

15 (ii) For taxable years beginning or deemed to begin on or after
16 January 1, 2018, the Tax Commissioner shall adjust the income tax
17 brackets based on the percentage change in the Consumer Price Index for
18 All Urban Consumers published by the federal Bureau of Labor Statistics
19 from the twelve months ending on August 31, 2016, to the twelve months
20 ending on August 31 of the year preceding the taxable year. The Tax
21 Commissioner shall prescribe new tax rate schedules that apply in lieu of
22 the schedules set forth in subsection (2) of this section.

23 (4) Whenever the tax brackets or tax rates are changed by the
24 Legislature, the Tax Commissioner shall update the tax rate schedules to
25 reflect the new tax brackets or tax rates and shall publish such updated
26 schedules.

27 (5) The Tax Commissioner shall prepare, from the rate schedules, tax
28 tables which can be used by a majority of the taxpayers to determine
29 their Nebraska tax liability. The design of the tax tables shall be
30 determined by the Tax Commissioner. The size of the tax table brackets
31 may change as the level of income changes. The difference in tax between

1 two tax table brackets shall not exceed fifteen dollars. The Tax
2 Commissioner may build the personal exemption credit and standard
3 deduction amounts into the tax tables.

4 (6) For taxable years beginning or deemed to begin on or after
5 January 1, 2013, the tax rate applied to other federal taxes included in
6 the computation of the Nebraska individual income tax shall be 29.6
7 percent.

8 (7) The Tax Commissioner may require by rule and regulation that all
9 taxpayers shall use the tax tables if their income is less than the
10 maximum income included in the tax tables.

11 Sec. 8. Original section 77-2715.03, Reissue Revised Statutes of
12 Nebraska, sections 77-6701 and 77-6702, Revised Statutes Cumulative
13 Supplement, 2020, and sections 77-2716, 77-2734.02, and 77-6703, Revised
14 Statutes Supplement, 2021, are repealed.