

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 680**

Introduced by Linehan, 39.

Read first time January 20, 2021

Committee: Revenue

- 1 A BILL FOR AN ACT relating to income taxes; to amend section 77-2734.02,
- 2 Reissue Revised Statutes of Nebraska; to change the corporate income
- 3 tax rate as prescribed; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2734.02, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3 77-2734.02 (1) Except as provided in subsection (2) of this section,  
4 a tax is hereby imposed on the taxable income of every corporate taxpayer  
5 that is doing business in this state:

6 (a) For taxable years beginning or deemed to begin before January 1,  
7 2013, at a rate equal to one hundred fifty and eight-tenths percent of  
8 the primary rate imposed on individuals under section 77-2701.01 on the  
9 first one hundred thousand dollars of taxable income and at the rate of  
10 two hundred eleven percent of such rate on all taxable income in excess  
11 of one hundred thousand dollars. The resultant rates shall be rounded to  
12 the nearest one hundredth of one percent; ~~and~~

13 (b) For taxable years beginning or deemed to begin on or after  
14 January 1, 2013, and before January 1, 2022, at a rate equal to 5.58  
15 percent on the first one hundred thousand dollars of taxable income and  
16 at the rate of 7.81 percent on all taxable income in excess of one  
17 hundred thousand dollars; and -

18 (c) For taxable years beginning or deemed to begin on or after  
19 January 1, 2022, at a rate equal to 5.58 percent on the first one hundred  
20 thousand dollars of taxable income and at the rate of 6.84 percent on all  
21 taxable income in excess of one hundred thousand dollars.

22 For corporate taxpayers with a fiscal year that does not coincide  
23 with the calendar year, the individual rate used for this subsection  
24 shall be the rate in effect on the first day, or the day deemed to be the  
25 first day, of the taxable year.

26 (2) An insurance company shall be subject to taxation at the lesser  
27 of the rate described in subsection (1) of this section or the rate of  
28 tax imposed by the state or country in which the insurance company is  
29 domiciled if the insurance company can establish to the satisfaction of  
30 the Tax Commissioner that it is domiciled in a state or country other  
31 than Nebraska that imposes on Nebraska domiciled insurance companies a

1 retaliatory tax against the tax described in subsection (1) of this  
2 section.

3 (3) For a corporate taxpayer that is subject to tax in another  
4 state, its taxable income shall be the portion of the taxpayer's federal  
5 taxable income, as adjusted, that is determined to be connected with the  
6 taxpayer's operations in this state pursuant to sections 77-2734.05 to  
7 77-2734.15.

8 (4) Each corporate taxpayer shall file only one income tax return  
9 for each taxable year.

10 Sec. 2. Original section 77-2734.02, Reissue Revised Statutes of  
11 Nebraska, is repealed.