

One Hundred Ninth Legislature - Second Session - 2026

Introducer's Statement of Intent

LB1257

Chairperson: Senator R. Brad von Gillern

Committee: Revenue

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

LB 1257 levels the playing field for sales and services, not valuing one over the other and provides sustainable property tax reform.

Except for exemptions tied to healthcare, federal regulations, state agreements, and certain essentials like food, LB 1257 removes sales and service tax exemptions. The revenue from reinstated sales and service taxes will be divided on a per pupil basis and sent to each school district. With increased funding for students, property tax levies for schools will be lowered from \$1.05 to \$0.85 in the first year and \$0.60 for the following years.

Provisions are made to ensure public schools are fully funded. Districts are also able to increase their property tax request by 6% in order to fund teacher's salaries.

Principal Introducer: _____

Senator Ben Hansen