

LEGISLATIVE BILL 845

Approved by the Governor March 1, 1988

Introduced by Remmers, 1

AN ACT relating to inheritance taxes; to amend sections 77-2004 and 77-2006, Reissue Revised Statutes of Nebraska, 1943; to change provisions relating to the determination of certain relatives; to change provisions relating to the value of beneficial interests which can be taxed; to repeal the original sections; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 77-2004, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

77-2004. In the case of a father, mother, ~~grandfather, grandmother, child,~~ brother, sister, ~~wife or widow of a son, husband or widower of a daughter,~~ child or children legally adopted as such in conformity with the laws of the state where adopted, any lineal descendant born in lawful wedlock, ~~or~~ any lineal descendant legally adopted as such in conformity with the laws of the state where adopted, ~~or~~ any person to whom the deceased for not less than ten years prior to death stood in the acknowledged relation of a parent, or the spouse or surviving spouse of any such persons, ~~or~~ PROVIDED, that no one shall be considered a person to whom the deceased stood in the acknowledged relation of a parent unless he or she shall have been a member of the household of the deceased and shall have had his or her permanent home in the home of the deceased for at least five continuous years during his or her minority; the rate of tax shall be one percent of the clear market value of the property in excess of ten thousand dollars received by each person. Any interest in property, including any interest acquired in the manner set forth in section 77-2002, which may be valued at a sum less than ten thousand dollars shall not be subject to tax. In addition the homestead allowance, exempt property, and family maintenance allowance shall not be subject to tax. Interests passing to the surviving spouse by will, in the manner set forth in section 77-2002, or in any other manner shall not be subject to tax.

Sec. 2. That section 77-2006, Reissue Revised

Statutes of Nebraska, 1943, be amended to read as follows:

77-2006. In all other cases the rate of tax on the clear market value of the beneficial interests shall be as follows: (1) For any amount not exceeding five thousand dollars, six percent; (2) on all the excess of beneficial interests over five thousand dollars and not exceeding ten thousand dollars, nine percent; (3) on all the excess of beneficial interests over ten thousand dollars, and not exceeding twenty thousand dollars, twelve percent; (4) on all the excess of beneficial interests over twenty thousand dollars and not exceeding fifty thousand dollars, fifteen percent; and (5) on all the excess of beneficial interests over fifty thousand dollars, eighteen percent. Such rates of tax shall be applied to the clear market value of the beneficial interests in excess of five hundred dollars received by each person. If ~~7~~ PROVIDED, the rate of tax shall be applied to each inheritance only to the amount of the beneficial interest received in excess of five hundred dollars, and if the inheritance clear market value of the beneficial interest is five hundred dollars or less, it shall not be subject to any tax.

Sec. 3. That original sections 77-2004 and 77-2006, Reissue Revised Statutes of Nebraska, 1943, are repealed.

Sec. 4. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.