AN ACT relating to revenue and taxation; to amend section 77-2101.01, Reissue Revised Statutes of Nebraska; to change calculations and eliminate provisions related to estate tax; to repeal the original section; to outright repeal section 77-2103, Reissue Revised Statutes of Nebraska; and to declare an emergency.

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

Section 1. Section 77-2101.01, Reissue Revised Statutes of Nebraska, is amended to read:

77-2101.01. (1) In addition to the inheritance taxes imposed by the laws of the State of Nebraska, there is levied and imposed an estate or excise tax upon the transfer of the estate of every resident decedent and upon the value of any interest in Nebraska real estate and tangible personal property situated in Nebraska of a nonresident decedent.

(2) For decedents dying before January 1, 2003, the amount of such tax shall be the amount calculated in section 77-2101.03 maximum state tax credit allowance upon the tax imposed by Chapter 11 of the Internal Revenue Code reduced by the lesser of (a) the aggregate amount of all estate, inheritance, legacy, or succession taxes paid to any state or territory, the District of Columbia, or any possession of the United States in respect of any property subject to such tax or (b) the sum of (i) the amount determined by multiplying the amount calculated in section 77-2101.03 maximum state tax credit allowance with respect to the taxable transfer by the percentage which the gross value of the transferred property not situated in Nebraska bears to the gross value of the transferred property and (ii) the amount of Nebraska inheritance taxes paid.

(3) For all decedents dying on or after January 1, 2003, (a) for the estate of every resident decedent, the amount of such tax shall be the amount calculated in section 77-2101.03 reduced by the percentage which the gross value of the transferred property not situated in Nebraska bears to the gross value of the transferred property minus the amount of Nebraska inheritance taxes paid, and (b) for the estate of every nonresident decedent, the amount of such tax shall be the amount calculated in section 77-2101.03 multiplied by the percentage which the gross value of the transferred property situated in Nebraska bears to the gross value of the transferred property minus the amount of Nebraska inheritance taxes paid.

Sec. 2. Original section 77-2101.01, Reissue Revised Statutes of Nebraska, is repealed.

Sec. 3. The following section is outright repealed: Section 77-2103, Reissue Revised Statutes of Nebraska.

Sec. 4. Since an emergency exists, this act takes effect when passed and approved according to law.