

AMENDMENTS TO LB170

Introduced by Raybould, 28.

1 1. Insert the following new sections:

2 **Sec. 5.** Section 77-2715.03, Revised Statutes Cumulative Supplement,  
3 2024, is amended to read:

4 77-2715.03 (1) For taxable years beginning or deemed to begin on or  
5 after January 1, 2013, and before January 1, 2014, the following brackets  
6 and rates are hereby established for the Nebraska individual income tax:

7 Individual Income Tax Brackets and Rates

8 Bracket	Single	Married,	Head of	Married,	Estates	Tax
9 Number	Individuals	Filing	Household	Filing	and	Rate
10		Jointly		Separate	Trusts	
11 1	\$0-2,399	\$0-4,799	\$0-4,499	\$0-2,399	\$0-499	2.46%
12 2	\$2,400-	\$4,800-	\$4,500-	\$2,400-	\$500-	
13	17,499	34,999	27,999	17,499	4,699	3.51%
14 3	\$17,500-	\$35,000-	\$28,000-	\$17,500-	\$4,700-	
15	26,999	53,999	39,999	26,999	15,149	5.01%
16 4	\$27,000	\$54,000	\$40,000	\$27,000	\$15,150	
17	and Over	and Over	and Over	and Over	and Over	6.84%

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

21 Individual Income Tax Brackets and Rates

22 Bracket	Single	Married,	Head of	Married,	Estates	Tax
23 Number	Individuals	Filing	Household	Filing	and	Rate
24		Jointly		Separate	Trusts	
25 1	\$0-2,999	\$0-5,999	\$0-5,599	\$0-2,999	\$0-499	2.46%
26 2	\$3,000-	\$6,000-	\$5,600-	\$3,000-	\$500-	

1		17,999	35,999	28,799	17,999	4,699	3.51%
2	3	\$18,000-	\$36,000-	\$28,800-	\$18,000-	\$4,700-	Rate
3		28,999	57,999	42,999	28,999	15,149	Three
4	4	\$29,000	\$58,000	\$43,000	\$29,000	\$15,150	Rate
5		and Over	and Over	and Over	and Over	and Over	Four

6 (b) For purposes of this subsection, rate three shall be:

7 (i) 5.01% for taxable years beginning or deemed to begin on or after  
8 January 1, 2014, and before January 1, 2026;

9 (ii) 4.90% for taxable years beginning or deemed to begin on or  
10 after January 1, 2026, and before January 1, 2027;

11 (iii) 4.60% for taxable years beginning or deemed to begin on or  
12 after January 1, 2027, and before January 1, 2028;

13 (iv) 4.29% for taxable years beginning or deemed to begin on or  
14 after January 1, 2028, and before January 1, 2029; and

15 (v) 3.99% for taxable years beginning or deemed to begin on or after  
16 January 1, 2029.

17 ~~(ii) 4.55% for taxable years beginning or deemed to begin on or~~  
18 ~~after January 1, 2026, and before January 1, 2027; and~~

19 ~~(iii) 3.99% for taxable years beginning or deemed to begin on or~~  
20 ~~after January 1, 2027.~~

21 (c) For purposes of this subsection, rate four shall be:

22 (i) 6.84% for taxable years beginning or deemed to begin on or after  
23 January 1, 2014, and before January 1, 2023;

24 (ii) 6.64% for taxable years beginning or deemed to begin on or  
25 after January 1, 2023, and before January 1, 2024;

26 (iii) 5.84% for taxable years beginning or deemed to begin on or  
27 after January 1, 2024, and before January 1, 2025;

28 (iv) 5.20% for taxable years beginning or deemed to begin on or  
29 after January 1, 2025, and before January 1, 2026;

30 (v) 4.90% for taxable years beginning or deemed to begin on or after

1 January 1, 2026, and before January 1, 2027;

2 (vi) 4.60% for taxable years beginning or deemed to begin on or  
3 after January 1, 2027, and before January 1, 2028;

4 (vii) 4.29% for taxable years beginning or deemed to begin on or  
5 after January 1, 2028, and before January 1, 2029; and

6 (viii) 3.99% for taxable years beginning or deemed to begin on or  
7 after January 1, 2029.

8 ~~(v) 4.55% for taxable years beginning or deemed to begin on or after~~  
9 ~~January 1, 2026, and before January 1, 2027; and~~

10 ~~(vi) 3.99% for taxable years beginning or deemed to begin on or~~  
11 ~~after January 1, 2027.~~

12 (3)(a) For taxable years beginning or deemed to begin on or after  
13 January 1, 2015, the minimum and maximum dollar amounts for each income  
14 tax bracket provided in subsection (2) of this section shall be adjusted  
15 for inflation by the percentage determined under subdivision (3)(b) of  
16 this section. The rate applicable to any such income tax bracket shall  
17 not be changed as part of any adjustment under this subsection. The  
18 minimum and maximum dollar amounts for each income tax bracket as  
19 adjusted shall be rounded to the nearest ten-dollar amount. If the  
20 adjusted amount for any income tax bracket ends in a five, it shall be  
21 rounded up to the nearest ten-dollar amount.

22 (b)(i) For taxable years beginning or deemed to begin on or after  
23 January 1, 2015, and before January 1, 2018, the Tax Commissioner shall  
24 adjust the income tax brackets by the percentage determined pursuant to  
25 the provisions of section 1(f) of the Internal Revenue Code of 1986, as  
26 it existed prior to December 22, 2017, except that in section 1(f)(3)(B)  
27 of the code the year 2013 shall be substituted for the year 1992. For  
28 2015, the Tax Commissioner shall then determine the percent change from  
29 the twelve months ending on August 31, 2013, to the twelve months ending  
30 on August 31, 2014, and in each subsequent year, from the twelve months  
31 ending on August 31, 2013, to the twelve months ending on August 31 of

1 the year preceding the taxable year. The Tax Commissioner shall prescribe  
2 new tax rate schedules that apply in lieu of the schedules set forth in  
3 subsection (2) of this section.

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

12 (4) Whenever the tax brackets or tax rates are changed by the  
13 Legislature, the Tax Commissioner shall update the tax rate schedules to  
14 reflect the new tax brackets or tax rates and shall publish such updated  
15 schedules.

16 (5) The Tax Commissioner shall prepare, from the rate schedules, tax  
17 tables which can be used by a majority of the taxpayers to determine  
18 their Nebraska tax liability. The design of the tax tables shall be  
19 determined by the Tax Commissioner. The size of the tax table brackets  
20 may change as the level of income changes. The difference in tax between  
21 two tax table brackets shall not exceed fifteen dollars. The Tax  
22 Commissioner may build the personal exemption credit and standard  
23 deduction amounts into the tax tables.

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

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

31 **Sec. 6.** Section 77-2734.02, Revised Statutes Cumulative Supplement,

1 2024, is amended to read:

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

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

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

17 (c) For taxable years beginning or deemed to begin on or after  
18 January 1, 2022, and before January 1, 2023, at a rate equal to 5.58  
19 percent on the first one hundred thousand dollars of taxable income and  
20 at the rate of 7.50 percent on all taxable income in excess of one  
21 hundred thousand dollars;

22 (d) For taxable years beginning or deemed to begin on or after  
23 January 1, 2023, and before January 1, 2024, at a rate equal to 5.58  
24 percent on the first one hundred thousand dollars of taxable income and  
25 at the rate of 7.25 percent on all taxable income in excess of one  
26 hundred thousand dollars;

27 (e) For taxable years beginning or deemed to begin on or after  
28 January 1, 2024, and before January 1, 2025, at a rate equal to 5.58  
29 percent on the first one hundred thousand dollars of taxable income and  
30 at the rate of 5.84 percent on all taxable income in excess of one  
31 hundred thousand dollars;

1 (f) For taxable years beginning or deemed to begin on or after  
2 January 1, 2025, and before January 1, 2026, at the rate of 5.20 percent  
3 on all taxable income;

4 (g) For taxable years beginning or deemed to begin on or after  
5 January 1, 2026, and before January 1, 2027, at the rate of 4.90 percent  
6 on all taxable income;

7 (h) For taxable years beginning or deemed to begin on or after  
8 January 1, 2027, and before January 1, 2028, at the rate of 4.60 percent  
9 on all taxable income;

10 (i) For taxable years beginning or deemed to begin on or after  
11 January 1, 2028, and before January 1, 2029, at the rate of 4.29 percent  
12 on all taxable income; and

13 (j) For taxable years beginning or deemed to begin on or after  
14 January 1, 2029, at the rate of 3.99 percent on all taxable income.

15 ~~(g) For taxable years beginning or deemed to begin on or after~~  
16 ~~January 1, 2026, and before January 1, 2027, at the rate of 4.55 percent~~  
17 ~~on all taxable income; and~~

18 ~~(h) For taxable years beginning or deemed to begin on or after~~  
19 ~~January 1, 2027, at the rate of 3.99 percent on all taxable income.~~

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

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

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

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

8           2. Renumber the remaining sections accordingly.

9           3. Correct the operative date and repealer sections so that the  
10 sections added by this amendment become operative on July 1, 2025.