

**One Hundred Fifth Legislature - First Session - 2017**

**Introducer's Statement of Intent**

**LB312**

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**Chairperson: Senator Jim Smith**

**Committee: Revenue**

**Date of Hearing: February 22, 2017**

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

LB 312 will generate property tax relief by raising additional sales tax revenue, diverting some of the additional revenue to low income individuals, and placing the balance of the additional revenue into a property tax credit fund for distribution.

It would remove sales tax exemptions for several goods and include a number of services in Nebraska's sales tax base.

It would then raise the State Earned Income Tax Credit an additional 7% of the Federal Earned Income Tax Credit to address regressivity issues, and place the balance of the revenue raised into an Excess Revenue Property Tax Credit Fund, which would be distributed pro rata to all classes of property taxpayers.

**Principal Introducer:** \_\_\_\_\_

Senator Tom Briese