

ONE HUNDRED SEVENTH LEGISLATURE - SECOND SESSION - 2022
COMMITTEE STATEMENT
LB939

Hearing Date: Thursday January 27, 2022
Committee On: Revenue
Introducer: Linehan
One Liner: Change individual income tax rates

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye:	5	Senators Lindstrom, Linehan, Albrecht, Briese, Flood
Nay:	1	Senator Friesen
Absent:		
Present Not Voting:	2	Senators Bostar, Pahls

Oral Testimony:

Proponents:

Senator Lou Ann Linehan
Bryan Slone

Jerry Stilmock

Jessica Shelburn
Bud Synhorst

Opponents:

Craig Beck

Neutral:

Nicole Fox

Representing:

Introducer

Nebraska Chamber of Commerce and Industry, Greater Omaha Chamber, The Lincoln Chamber
Nebraska Federation of Independent Business, Nebraska Bankers Association
Americans for Prosperity - Nebraska
Lincoln Independent Business Association (LIBA)

Representing:

OpenSky Policy Institute

Representing:

Platte Institute

Summary of purpose and/or changes:

LB939 is a companion bill to LB938.

It will reduce the top individual income tax rate from 6.84% to 5.58% as follows:

- TY 2023 6.34%:
- TY 2024 6.14%:
- TY 2025 5.84%.

This will bring parity between the top rate for both individual and corporate income taxes.

Explanation of amendments:

LB939 includes LB938 with AM1780

LB938 was heard on January 27, 2022 at 1:30 PM in Room 1524

In-Person Testimony**Proponents**

- Senator Lou Ann Linehan: Introducer
- Bryan Slone: Nebraska Chamber of Commerce and Industry, Greater Omaha Chamber, The Lincoln Chamber
- Jerry Stilmock: National Federation of Independent Business, Nebraska Bankers Association
- Bud Synhorst: Lincoln Independent Business Association
- Jessica Shelburn: Americans for Prosperity - Nebraska

Opponents

- Craig Beck: OpenSky Policy Institute
- Joey Wiltwinowick: Self

Neutral

- Nicole Fox: Platte Institute
- Adam Timmesch: Self

Summary for LB938:

LB938 is a continuation of LB432 from the 2021 session, which began a phased reduction in the top corporate income tax bracket. The top bracket was 7.81%. LB432 reduced this rate to 7.5% for tax year 2022 and 7.25% for 2023.

LB938 reduces the rate as follows:

- TY 2023 7.0%:
- TY 2024 6.5%
- TY 2025 6.14%:
- TY 2026 5.8 %.

For tax year 2026, the top corporate rate will be the same as the top individual rate, which is reduced pursuant to LB939.

The Committee voted to amend LB938 into LB939

6 Yes - Linehan, Lindstrom, Albrecht, Briese, Flood, Friesen

1 No - Bostar

1 PNV - Pahls

Lou Ann Linehan, Chairperson