

LEGISLATIVE BILL 1034

Approved by the Governor April 15, 2004

Introduced by Landis, 46

AN ACT relating to revenue and taxation; to amend section 77-2101.03, Reissue Revised Statutes of Nebraska; to change the estate tax rate; to repeal the original section; and to declare an emergency.
 Be it enacted by the people of the State of Nebraska,

Section 1. Section 77-2101.03, Reissue Revised Statutes of Nebraska, is amended to read:

77-2101.03. (1) For decedents dying on or after January 1, 2003, and before July 1, 2003, the tax on the Nebraska taxable estate shall be the greater of the maximum state tax credit allowance upon the tax imposed under Chapter 11 of the Internal Revenue Code or the amount provided in the following table:

Nebraska taxable estate		Tax =	+	%	Of Excess
At least	But less than				Over
\$ 0	\$ 40,000	\$ 0		0	\$ 0
40,000	90,000	0		.8	40,000
90,000	140,000	400		1.6	90,000
140,000	240,000	1,200		2.4	140,000
240,000	440,000	3,600		3.2	240,000
440,000	640,000	10,000		4	440,000
640,000	840,000	18,000		4.8	640,000
840,000	1,040,000	27,600		5.6	840,000
1,040,000	1,540,000	38,800		6.4	1,040,000
1,540,000	2,040,000	70,800		7.2	1,540,000
2,040,000	2,540,000	106,800		8	2,040,000
2,540,000	3,040,000	146,800		8.8	2,540,000
3,040,000	3,540,000	190,800		9.6	3,040,000
3,540,000	4,040,000	238,800		10.4	3,540,000
4,040,000	5,040,000	290,800		11.2	4,040,000
5,040,000	6,040,000	402,800		12	5,040,000
6,040,000	7,040,000	522,800		12.8	6,040,000
7,040,000	8,040,000	650,800		13.6	7,040,000
8,040,000	9,040,000	786,800		14.4	8,040,000
9,040,000	10,040,000	930,800		15.2	9,040,000
10,040,000		1,082,800		16	10,040,000

(2) For decedents dying on or after July 1, 2003, the following table shall be used to determine the tax on the Nebraska taxable estate tax on the Nebraska taxable estate shall be the greater of the maximum state tax credit allowance upon the tax imposed under Chapter 11 of the Internal Revenue Code or the amount provided in the following table:

Nebraska taxable estate		Tax =	+	%	Of Excess
At least	But less than				Over
\$ 0	\$ 100,000	\$ 0		41	\$ 0
100,000	500,000	41,000		6.4	100,000
500,000	1,000,000	66,600		7.2	500,000
1,000,000	1,500,000	102,600		8	1,000,000
1,500,000	2,000,000	142,600		8.8	1,500,000
2,000,000	2,500,000	186,600		9.6	2,000,000
2,500,000	3,000,000	234,600		10.4	2,500,000
3,000,000	4,000,000	286,600		11.2	3,000,000
4,000,000	5,000,000	398,600		12	4,000,000
5,000,000	6,000,000	518,600		12.8	5,000,000
6,000,000	7,000,000	646,600		13.6	6,000,000
7,000,000	8,000,000	782,600		14.4	7,000,000
8,000,000	9,000,000	926,600		15.2	8,000,000
9,000,000		1,078,600		16	9,000,000
\$ 0	\$ 100,000	\$ 0		5.6	\$ 0
100,000	500,000	5,600		6.4	100,000
500,000	1,000,000	31,200		7.2	500,000
1,000,000	1,500,000	67,200		8	1,000,000
1,500,000	2,000,000	107,200		8.8	1,500,000
2,000,000	2,500,000	151,200		9.6	2,000,000
2,500,000	3,000,000	199,200		10.4	2,500,000
3,000,000	3,500,000	251,200		11.2	3,000,000
3,500,000	4,000,000	307,200		12	3,500,000

<u>4,000,000</u>	<u>5,000,000</u>	<u>367,200</u>	<u>12.8</u>	<u>4,000,000</u>
<u>5,000,000</u>	<u>6,000,000</u>	<u>495,200</u>	<u>13.6</u>	<u>5,000,000</u>
<u>6,000,000</u>	<u>7,000,000</u>	<u>631,200</u>	<u>14.4</u>	<u>6,000,000</u>
<u>7,000,000</u>	<u>8,000,000</u>	<u>775,200</u>	<u>15.2</u>	<u>7,000,000</u>
<u>8,000,000</u>	<u>9,000,000</u>	<u>927,200</u>	<u>16</u>	<u>8,000,000</u>
<u>9,000,000</u>		<u>1,087,200</u>	<u>16.8</u>	<u>9,000,000</u>

(3) Taxable generation-skipping transfers shall be taxed at a rate of sixteen percent of the Nebraska taxable transfer.

Sec. 2. Original section 77-2101.03, Reissue Revised Statutes of Nebraska, is repealed.

Sec. 3. Since an emergency exists, this act takes effect when passed and approved according to law.