

AMENDMENTS TO LB288

Introduced by Linehan, 39.

1           1. Strike the original sections and insert the following new  
2 sections:

3           Section 1. Section 77-2716.01, Reissue Revised Statutes of Nebraska,  
4 is amended to read:

5           77-2716.01 (1)(a) Through tax year 2017, every individual shall be  
6 allowed to subtract from his or her income tax liability an amount for  
7 personal exemptions. The amount allowed to be subtracted shall be the  
8 credit amount for the year as provided in this subdivision multiplied by  
9 the number of exemptions allowed on the federal return. For tax year  
10 1993, the credit amount shall be sixty-five dollars; for tax year 1994,  
11 the credit amount shall be sixty-nine dollars; for tax year 1995, the  
12 credit amount shall be sixty-nine dollars; for tax year 1996, the credit  
13 amount shall be seventy-two dollars; for tax year 1997, the credit amount  
14 shall be eighty-six dollars; for tax year 1998, the credit amount shall  
15 be eighty-eight dollars; for tax year 1999, and each year thereafter  
16 through tax year 2017, the credit amount shall be adjusted for inflation  
17 by the method provided in section 151 of the Internal Revenue Code of  
18 1986, as it existed prior to December 22, 2017. The eighty-eight-dollar  
19 credit amount shall be adjusted for cumulative inflation since 1998. If  
20 any credit amount is not an even dollar amount, the amount shall be  
21 rounded to the nearest dollar. For nonresident individuals and partial-  
22 year resident individuals, the personal exemption credit shall be  
23 subtracted as specified in subsection (3) of section 77-2715.

24           (b) Beginning with tax year 2018, every individual, except an  
25 individual that can be claimed for a child credit or dependent credit on  
26 the federal return of another taxpayer, shall be allowed to subtract from  
27 his or her income tax liability an amount for personal exemptions. The

1 amount allowed to be subtracted shall be the credit amount for the year  
2 as provided in this subdivision multiplied by the sum of the number of  
3 child credits and dependent credits taken on the federal return, plus two  
4 for a married filing jointly return or plus one for a single or head of  
5 household return. For tax year 2018, the credit amount shall be one  
6 hundred thirty-four dollars. For tax year 2019 and each tax year  
7 thereafter, the credit amount shall be adjusted for inflation based on  
8 the percentage change in the Consumer Price Index for All Urban Consumers  
9 published by the federal Bureau of Labor Statistics from the twelve  
10 months ending on August 31, 2017, to the twelve months ending on August  
11 31 of the year preceding the taxable year. If any credit amount is not an  
12 even dollar amount, the amount shall be rounded to the nearest dollar.  
13 For nonresident individuals and partial-year resident individuals, the  
14 personal exemption credit shall be subtracted as specified in subsection  
15 (3) of section 77-2715.

16 (2)(a) For tax years beginning or deemed to begin on or after  
17 January 1, 2003, and before January 1, 2004, under the Internal Revenue  
18 Code of 1986, as amended, every individual who did not itemize deductions  
19 on his or her federal return shall be allowed to subtract from federal  
20 adjusted gross income a standard deduction based on the filing status  
21 used on the federal return except as the amount is adjusted under section  
22 77-2716.03. The standard deduction shall be the smaller of the federal  
23 standard deduction actually allowed or (i) for single taxpayers four  
24 thousand seven hundred fifty dollars, (ii) for head of household  
25 taxpayers seven thousand dollars, (iii) for married filing jointly  
26 taxpayers seven thousand nine hundred fifty dollars, and (iv) for married  
27 filing separately taxpayers three thousand nine hundred seventy-five  
28 dollars. Taxpayers who are allowed additional federal standard deduction  
29 amounts because of age or blindness shall be allowed an increase in the  
30 Nebraska standard deduction for each additional amount allowed on the  
31 federal return. The additional amounts shall be for married taxpayers,

1 nine hundred fifty dollars, and for single or head of household  
2 taxpayers, one thousand one hundred fifty dollars.

3 (b) For tax years beginning or deemed to begin on or after January  
4 1, 2007, and before January 1, 2018, under the Internal Revenue Code of  
5 1986, as amended, every individual who did not itemize deductions on his  
6 or her federal return shall be allowed to subtract from federal adjusted  
7 gross income a standard deduction based on the filing status used on the  
8 federal return. The standard deduction shall be the smaller of the  
9 federal standard deduction actually allowed or (i) for single taxpayers  
10 three thousand dollars and (ii) for head of household taxpayers four  
11 thousand four hundred dollars. The standard deduction for married filing  
12 jointly taxpayers shall be double the standard deduction for single  
13 taxpayers, and for married filing separately taxpayers, the standard  
14 deduction shall be the same as single taxpayers. Taxpayers who are  
15 allowed additional federal standard deduction amounts because of age or  
16 blindness shall be allowed an increase in the Nebraska standard deduction  
17 for each additional amount allowed on the federal return. The additional  
18 amounts shall be for married taxpayers six hundred dollars and for single  
19 or head of household taxpayers seven hundred fifty dollars. The amounts  
20 in this subdivision will be indexed using 1987 as the base year.

21 (c) For tax years beginning or deemed to begin on or after January  
22 1, 2007, and before January 1, 2018, the standard deduction amounts,  
23 including the additional standard deduction amounts, in this subsection  
24 shall be adjusted for inflation by the method provided in section 151 of  
25 the Internal Revenue Code of 1986, as it existed prior to December 22,  
26 2017. If any amount is not a multiple of fifty dollars, the amount shall  
27 be rounded to the next lowest multiple of fifty dollars.

28 (3)(a) For tax years beginning or deemed to begin on or after  
29 January 1, 2018, every individual who did not itemize deductions on his  
30 or her federal return shall be allowed to subtract from federal adjusted  
31 gross income a standard deduction based on the filing status used on the

1 federal return. The standard deduction shall be the smaller of the  
2 federal standard deduction actually allowed or (i) six thousand seven  
3 hundred fifty dollars for single taxpayers and (ii) nine thousand nine  
4 hundred dollars for head of household taxpayers. The standard deduction  
5 for married filing jointly taxpayers shall be double the standard  
6 deduction for single taxpayers, and the standard deduction for married  
7 filing separately taxpayers shall be the same as the standard deduction  
8 for single taxpayers. Taxpayers who are allowed additional federal  
9 standard deduction amounts because of age or blindness shall be allowed  
10 an increase in the Nebraska standard deduction for each additional amount  
11 allowed on the federal return. The additional amounts shall be one  
12 thousand three hundred dollars for married taxpayers and one thousand six  
13 hundred dollars for single or head of household taxpayers.

14 (b) For tax years beginning or deemed to begin on or after January  
15 1, 2019, the standard deduction amounts, including the additional  
16 standard deduction amounts, in this subsection shall be adjusted for  
17 inflation based on the percentage change in the Consumer Price Index for  
18 All Urban Consumers published by the federal Bureau of Labor Statistics  
19 from the twelve months ending on August 31, 2017, to the twelve months  
20 ending on August 31 of the year preceding the taxable year. If any amount  
21 is not a multiple of fifty dollars, the amount shall be rounded to the  
22 next lowest multiple of fifty dollars.

23 (4)(a) For tax years beginning or deemed to begin before January 1,  
24 2019, every ~~(4) Every~~ individual who itemized deductions on his or her  
25 federal return shall be allowed to subtract from federal adjusted gross  
26 income the greater of either:

27 (i) The ~~the~~ standard deduction allowed in this section; or

28 (ii) His ~~his~~ or her federal itemized deductions as defined in  
29 section 63(d) of the Internal Revenue Code of 1986, as amended, except  
30 for the amount for state or local income taxes included in federal  
31 itemized deductions before any federal disallowance.

1       (b) For tax years beginning or deemed to begin on or after January  
2 1, 2019, and before January 1, 2020, every individual who itemized  
3 deductions on his or her federal return shall be allowed to subtract from  
4 federal adjusted gross income the greater of either:

5       (i) The standard deduction allowed in this section; or

6       (ii) The sum of:

7       (A) His or her federal itemized deductions as defined in section  
8 63(d) of the Internal Revenue Code of 1986, as amended, except for the  
9 amount for state or local income taxes included in federal itemized  
10 deductions before any federal disallowance;

11       (B) The total amount of state and local property taxes reported on  
12 his or her federal return before any federal disallowance or cap, less  
13 the amount of state and local property taxes actually included in federal  
14 itemized deductions; and

15       (C) The total amount of state and local property taxes reported on  
16 his or her federal return for the immediately preceding tax year before  
17 any federal disallowance or cap, less the amount of state and local  
18 property taxes actually included in federal itemized deductions for such  
19 tax year.

20       (c) For tax years beginning or deemed to begin on or after January  
21 1, 2020, every individual who itemized deductions on his or her federal  
22 return shall be allowed to subtract from federal adjusted gross income  
23 the greater of either:

24       (i) The standard deduction allowed in this section; or

25       (ii) The sum of:

26       (A) His or her federal itemized deductions as defined in section  
27 63(d) of the Internal Revenue Code of 1986, as amended, except for the  
28 amount for state or local income taxes included in federal itemized  
29 deductions before any federal disallowance; and

30       (B) The total amount of state and local property taxes reported on  
31 his or her federal return before any federal disallowance or cap, less

1 the amount of state and local property taxes actually included in federal  
2 itemized deductions.

3       Sec. 2. Original section 77-2716.01, Reissue Revised Statutes of  
4 Nebraska, is repealed.