

# **Legislature - First Session - 2019**

## **Introducer's Statement of Intent**

### **LB614**

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**Chairperson: Senator Lou Ann Linehan**

**Committee: Revenue**

**Date of Hearing: March 01, 2019**

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

LB614 would provide property tax relief by implementing a number of revenue generating measures and increasing state aid to schools. It would expand the income tax base through eliminating itemized deductions (except medical), repealing the S-corp/LLC exclusion on out-of-state earnings, and repealing the special capital gains election. The personal property tax exemption would be repealed, consumption taxes on candy, soft drinks, and bottled water would be implemented, and taxes on cigarettes and spirits would be increased.

Revenue is distributed as supplemental state aid to all school districts, an increase in the special education reimbursement, an increase in the allocated income tax to 20%, and an increase in the earned income tax credit.

LB614 also provides for a property tax transparency plan, in which school districts and ESUs would publish a summary of revenue sources and expenditure reductions or increases along with current and future cost savings if the proposed budget were to be adopted at least 3 days prior to the budget hearing.

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

Senator Sue Crawford