

# **Legislature - First Session - 2019**

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

### **LB615**

---

**Chairperson: Senator Lou Ann Linehan**

**Committee: Revenue**

**Date of Hearing: February 20, 2019**

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

LB 615 proposes income and property tax relief. LB 615 would require a minimum balance of 500 million dollars in the cash reserve fund, then provide financial goals to be met at the end of each fiscal year. Once a strong fiscal outlook has been established, the bill would create a mechanism for a \$1 to \$1 income and property tax relief. In November of each year, the Tax Rate Review Committee shall examine the rate of growth in General Fund receipts as determined by the Forecasting Advisory Board. If the expected rate of growth is at least 3.5% and the cash reserve is at a minimum to 500 million dollars the committee shall certify such rate of growth and balance to the Tax Commissioner. Upon the information from the Tax Review Committee, the Tax Commissioner shall reduce the top corporate and individual rate in a predetermined schedule. Each time the Income Tax is reduced the Tax Commission shall estimate the total decrease in income tax for the upcoming fiscal year and certify the estimate with the State Treasurer. The State Treasurer shall transfer that certified amount to the Property Tax Relief Fund.

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

Senator Mike Hilgers