

AMENDMENTS TO LB825

Introduced by Briese, 41.

1 1. Insert the following new section:

2 Section 1. Section 77-2715.03, Reissue Revised Statutes of Nebraska,  
3 is amended to read:

4 77-2715.03 (1) For taxable years beginning or deemed to begin on or  
5 after January 1, 2013, and before January 1, 2014, the following brackets  
6 and rates are hereby established for the Nebraska individual income tax:

7 Individual Income Tax Brackets and Rates

8	Bracket	Single	Married,	Head of	Married,	Estates	Tax
9	Number	Individuals	Filing	Household	Filing	and	Rate
10			Jointly		Separate	Trusts	
11	1	\$0-2,399	\$0-4,799	\$0-4,499	\$0-2,399	\$0-499	2.46%
12	2	\$2,400-	\$4,800-	\$4,500-	\$2,400-	\$500-	
13		17,499	34,999	27,999	17,499	4,699	3.51%
14	3	\$17,500-	\$35,000-	\$28,000-	\$17,500-	\$4,700-	
15		26,999	53,999	39,999	26,999	15,149	5.01%
16	4	\$27,000	\$54,000	\$40,000	\$27,000	\$15,150	
17		and Over	and Over	and Over	and Over	and Over	6.84%

18 (2) For taxable years beginning or deemed to begin on or after  
19 January 1, 2014, the following brackets and rates are hereby established  
20 for the Nebraska individual income tax:

21 Individual Income Tax Brackets and Rates

22	Bracket	Single	Married,	Head of	Married,	Estates	Tax
23	Number	Individuals	Filing	Household	Filing	and	Rate
24			Jointly		Separate	Trusts	
25	1	\$0-2,999	\$0-5,999	\$0-5,599	\$0-2,999	\$0-499	2.46%
26	2	\$3,000-	\$6,000-	\$5,600-	\$3,000-	\$500-	

1		17,999	35,999	28,799	17,999	4,699	3.51%
2	3	\$18,000-	\$36,000-	\$28,800-	\$18,000-	\$4,700-	
3		28,999	57,999	42,999	28,999	15,149	5.01%
4	4	<u>\$29,000</u>	<u>\$58,000</u>	<u>\$43,000</u>	<u>\$29,000</u>	<u>\$15,150</u>	
5		<u>and Over</u>	<u>Top Rate</u>				
6	4	<del>\$29,000</del>	<del>\$58,000</del>	<del>\$43,000</del>	<del>\$29,000</del>	<del>\$15,150</del>	
7		<del>and Over</del>	<del>6.84%</del>				

8 For purposes of this subsection, the top rate shall be:

9 (a) 6.84% for taxable years beginning or deemed to begin on or after  
10 January 1, 2014, and before January 1, 2023;

11 (b) 6.64% for taxable years beginning or deemed to begin on or after  
12 January 1, 2023, and before January 1, 2024;

13 (c) 6.44% for taxable years beginning or deemed to begin on or after  
14 January 1, 2024, and before January 1, 2025;

15 (d) 6.24% for taxable years beginning or deemed to begin on or after  
16 January 1, 2025, and before January 1, 2026;

17 (e) 6.00% for taxable years beginning or deemed to begin on or after  
18 January 1, 2026, and before January 1, 2027; and

19 (f) 5.84% for taxable years beginning or deemed to begin on or after  
20 January 1, 2027.

21 (3)(a) For taxable years beginning or deemed to begin on or after  
22 January 1, 2015, the minimum and maximum dollar amounts for each income  
23 tax bracket provided in subsection (2) of this section shall be adjusted  
24 for inflation by the percentage determined under subdivision (3)(b) of  
25 this section. The rate applicable to any such income tax bracket shall  
26 not be changed as part of any adjustment under this subsection. The  
27 minimum and maximum dollar amounts for each income tax bracket as  
28 adjusted shall be rounded to the nearest ten-dollar amount. If the  
29 adjusted amount for any income tax bracket ends in a five, it shall be  
30 rounded up to the nearest ten-dollar amount.

1           (b)(i) For taxable years beginning or deemed to begin on or after  
2 January 1, 2015, and before January 1, 2018, the Tax Commissioner shall  
3 adjust the income tax brackets by the percentage determined pursuant to  
4 the provisions of section 1(f) of the Internal Revenue Code of 1986, as  
5 it existed prior to December 22, 2017, except that in section 1(f)(3)(B)  
6 of the code the year 2013 shall be substituted for the year 1992. For  
7 2015, the Tax Commissioner shall then determine the percent change from  
8 the twelve months ending on August 31, 2013, to the twelve months ending  
9 on August 31, 2014, and in each subsequent year, from the twelve months  
10 ending on August 31, 2013, to the twelve months ending on August 31 of  
11 the year preceding the taxable year. The Tax Commissioner shall prescribe  
12 new tax rate schedules that apply in lieu of the schedules set forth in  
13 subsection (2) of this section.

14           (ii) For taxable years beginning or deemed to begin on or after  
15 January 1, 2018, the Tax Commissioner shall adjust the income tax  
16 brackets based on the percentage change in the Consumer Price Index for  
17 All Urban Consumers published by the federal Bureau of Labor Statistics  
18 from the twelve months ending on August 31, 2016, to the twelve months  
19 ending on August 31 of the year preceding the taxable year. The Tax  
20 Commissioner shall prescribe new tax rate schedules that apply in lieu of  
21 the schedules set forth in subsection (2) of this section.

22           (4) Whenever the tax brackets or tax rates are changed by the  
23 Legislature, the Tax Commissioner shall update the tax rate schedules to  
24 reflect the new tax brackets or tax rates and shall publish such updated  
25 schedules.

26           (5) The Tax Commissioner shall prepare, from the rate schedules, tax  
27 tables which can be used by a majority of the taxpayers to determine  
28 their Nebraska tax liability. The design of the tax tables shall be  
29 determined by the Tax Commissioner. The size of the tax table brackets  
30 may change as the level of income changes. The difference in tax between  
31 two tax table brackets shall not exceed fifteen dollars. The Tax

1 Commissioner may build the personal exemption credit and standard  
2 deduction amounts into the tax tables.

3 (6) For taxable years beginning or deemed to begin on or after  
4 January 1, 2013, the tax rate applied to other federal taxes included in  
5 the computation of the Nebraska individual income tax shall be 29.6  
6 percent.

7 (7) The Tax Commissioner may require by rule and regulation that all  
8 taxpayers shall use the tax tables if their income is less than the  
9 maximum income included in the tax tables.

10 2. Renumber the remaining sections and correct the repealer  
11 accordingly.