

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 802

Introduced by Revenue Committee: von Gillern, 4, Chairperson; Bostar, 29;
Jacobson, 42; Kauth, 31; Murman, 38.

Read first time January 07, 2026

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-2715.03, Revised Statutes Cumulative Supplement, 2024; to change
- 3 individual income tax rates; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 77-2715.03, Revised Statutes Cumulative
2 Supplement, 2024, is amended to read:

3 77-2715.03 (1) For taxable years beginning or deemed to begin on or
4 after January 1, 2013, and before January 1, 2014, the following brackets
5 and rates are hereby established for the Nebraska individual income tax:

6 Individual Income Tax Brackets and Rates

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

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

20 Individual Income Tax Brackets and Rates

21	Bracket	Single	Married,	Head of	Married,	Estates	Tax
22	Number	Individuals	Filing	Household	Filing	and	Rate
23			Jointly		Separate	Trusts	
24	1	\$0-2,999	\$0-5,999	\$0-5,599	\$0-2,999	\$0-499	2.46%
25	2	\$3,000-	\$6,000-	\$5,600-	\$3,000-	\$500-	
26		17,999	35,999	28,799	17,999	4,699	3.51%
27	3	\$18,000-	\$36,000-	\$28,800-	\$18,000-	\$4,700-	Rate
28		28,999	57,999	42,999	28,999	15,149	Three
29	4	\$29,000	\$58,000	\$43,000	\$29,000	\$15,150	Rate
30		and Over	and Over	and Over	and Over	and Over	Four

1 (b) For purposes of this subsection, rate three shall be:

2 (i) 5.01% for taxable years beginning or deemed to begin on or after
3 January 1, 2014, and before January 1, 2026;

4 (ii) 4.55% for taxable years beginning or deemed to begin on or
5 after January 1, 2026, and before January 1, 2027; and

6 (iii) 3.99% for taxable years beginning or deemed to begin on or
7 after January 1, 2027.

8 (c) For purposes of this subsection, rate four shall be:

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

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

13 (iii) 5.84% for taxable years beginning or deemed to begin on or
14 after January 1, 2024, and before January 1, 2025;

15 (iv) 5.20% for taxable years beginning or deemed to begin on or
16 after January 1, 2025, and before January 1, 2026;

17 (v) 4.55% for taxable years beginning or deemed to begin on or after
18 January 1, 2026, and before January 1, 2027; and

19 (vi) 3.98% ~~3.99%~~ for taxable years beginning or deemed to begin on
20 or after 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.

31 (b)(i) For taxable years beginning or deemed to begin on or after

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

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

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

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

1 deduction amounts into the tax tables.

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

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

9 **Sec. 2.** Original section 77-2715.03, Revised Statutes Cumulative
10 Supplement, 2024, is repealed.