

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 974

Introduced by Conrad, 46.

Read first time January 12, 2026

Committee: Revenue

1 A BILL FOR AN ACT relating to taxation; to provide for an excise tax on
2 individual incomes as prescribed; and to create the Tax Equity Cash
3 Fund.

4 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** (1) For taxable years beginning or deemed to begin on or
2 after January 1, 2027:

3 (a) For single taxpayers, married filing separate taxpayers, or
4 estates and trusts, the following excise tax is levied on each dollar of
5 individual income above \$1,000,000: 9.5%, less the applicable individual
6 income tax rate in section 77-2715.03 for such individual income over
7 \$1,000,000;

8 (b) For married filing jointly taxpayers or head of household
9 taxpayers, the following excise tax is levied on each dollar of
10 individual income above \$2,000,000: 9.5% less the applicable individual
11 income tax rate in section 77-2715.03 for such individual income over
12 \$2,000,000.

13 (2)(a) The Department of Revenue shall collect the excise tax levied
14 under this section at least once per taxable year on a form and in a
15 manner prescribed by the department.

16 (b) The department shall remit any excise tax collected under this
17 section to the State Treasurer for credit to the Tax Equity Cash Fund.

18 **Sec. 2.** (1) The Tax Equity Cash Fund is created. The fund shall be
19 administered by the Department of Revenue. The fund shall consist of
20 money credited to the fund pursuant to section 1 of this act. The
21 department may use money in the fund to pay for costs associated with any
22 duty of the department under section 1 of this act and for administration
23 of the fund.

24 (2) Money in the Tax Equity Cash Fund may be transferred as approved
25 by the Legislature to the:

26 (a) General Fund;
27 (b) Education Future Fund; or
28 (c) Property Tax Credit Cash Fund.

29 (3) Any money in the Tax Equity Cash Fund available for investment
30 shall be invested by the state investment officer pursuant to the
31 Nebraska Capital Expansion Act and the Nebraska State Funds Investment

1 Act.