

LEGISLATURE OF NEBRASKA

ONE HUNDRED THIRD LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 490

Introduced by Revenue Committee: Hadley, 37, Chairperson; Hansen, 42; Harr, 8; Schumacher, 22; Sullivan, 41.

Read first time January 23, 2013

Committee: Revenue

A BILL

- 1 FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-2715.03, Revised Statutes Cumulative Supplement, 2012;
- 3 to change income tax rates; and to repeal the original
- 4 section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2715.03, Revised Statutes
 2 Cumulative Supplement, 2012, is amended to read:

3 77-2715.03 (1) For taxable years beginning or deemed to
 4 begin on or after January 1, 2013, and before January 1, 2014, the
 5 following brackets and rates are hereby established for the Nebraska
 6 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
		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
 19 after January 1, 2014, the following brackets and rates are hereby
 20 established 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

		Jointly	Separate	Trusts		
1						
2	<u>1</u>	\$0-2,999	\$0-5,999	\$0-5,599	\$0-2,999	\$0-499 2.46%
3	<u>1</u>	<u>\$0-2,999</u>	<u>\$0-5,999</u>	<u>\$0-5,599</u>	<u>\$0-2,999</u>	<u>\$0-499</u> <u>XXX%</u>
4	<u>2</u>	\$3,000-	\$6,000-	\$5,600-	\$3,000-	\$500-
5		<u>17,999</u>	<u>35,999</u>	<u>28,799</u>	<u>17,999</u>	<u>4,699</u> 3.51%
6	<u>2</u>	\$3,000-	\$6,000-	\$5,600-	\$3,000-	\$500-
7		<u>17,999</u>	<u>35,999</u>	<u>28,799</u>	<u>17,999</u>	<u>4,699</u> <u>XXX%</u>
8	<u>3</u>	\$18,000-	\$36,000-	\$28,800-	\$18,000-	\$4,700-
9		<u>28,999</u>	<u>57,999</u>	<u>42,999</u>	<u>28,999</u>	<u>15,149</u> 5.01%
10	<u>3</u>	\$18,000-	\$36,000-	\$28,800-	\$18,000-	\$4,700-
11		<u>28,999</u>	<u>57,999</u>	<u>42,999</u>	<u>28,999</u>	<u>15,149</u> <u>XXX%</u>
12	<u>4</u>	\$29,000	\$58,000	\$43,000	\$29,000	\$15,150
13		and Over	and Over	and Over	and Over	and Over 6.84%
14	<u>4</u>	<u>\$29,000</u>	<u>\$58,000</u>	<u>\$43,000</u>	<u>\$29,000</u>	<u>\$15,150</u>
15		<u>and Over</u>	<u>and Over</u>	<u>and Over</u>	<u>and Over</u>	<u>and Over</u> <u>XXX%</u>

16 (3) Whenever the tax brackets or tax rates are changed by
 17 the Legislature, the Tax Commissioner shall update the tax rate
 18 schedules to reflect the new tax brackets or tax rates and shall
 19 publish such updated schedules.

20 (4) The Tax Commissioner shall prepare, from the rate
 21 schedules, tax tables which can be used by a majority of the
 22 taxpayers to determine their Nebraska tax liability. The design of
 23 the tax tables shall be determined by the Tax Commissioner. The size

1 of the tax table brackets may change as the level of income changes.
2 The difference in tax between two tax table brackets shall not exceed
3 fifteen dollars. The Tax Commissioner may build the personal
4 exemption credit and standard deduction amounts into the tax tables.

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

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

12 Sec. 2. Original section 77-2715.03, Revised Statutes
13 Cumulative Supplement, 2012, is repealed.