

One Hundred Fourth Legislature - First Session - 2015

Introducer's Statement of Intent

LB64

Chairperson: Senator Mike Gloor

Committee: Revenue

Date of Hearing: February 04, 2015

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

The Nebraska economy is currently suffering from a lack of labor force. The issue can be addressed by investments that enable production with fewer laborers; by policies that encourage migration to Nebraska; or incentives for existing labor to take on additional employment.

People who work at a job have a choice. They can work an additional job in their spare time or they can do something else or do nothing. If they use their spare time at a job there is an income tax on their spare time. If they do something else or nothing there is no tax on their spare time.

A frequent criticism of the state income tax is that it is a disincentive to engaging in productive behaviors in Nebraska. To the extent that is true, LB64 removes the tax disincentive to taking on a second job.

The purpose of LB64 is to incent employees to take on an additional job and to ease the industrial suffering from a shortage of labor.

Principal Introducer: _____

Senator Paul Schumacher