

ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024
COMMITTEE STATEMENT
LB1067

Hearing Date: Thursday February 08, 2024
Committee On: Revenue
Introducer: Clements
One Liner: Eliminate the inheritance tax, adopt the State Prisoner Reimbursement Act, and change the authorized uses of certain county funds

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	7	Senators Albrecht, Bostar, Kauth, Linehan, Meyer, Murman, von Gillern
Nay:		
Absent:		
Present Not Voting:	1	Senator Dungan

Testimony:

Proponents:

Senator Robert Clements
Richard Clements
Brandi Burkett
Doug Kagan
Dennis Schleis
Allie French
John Amick
Lenoa Vermooten
Nicole Fox
Bob Hallstrom

Bruce Rieker

Representing:

Opening Presenter
Self
Self
Nebraska Taxpayers for Freedom
Self
Nebraskans Against Government Overreach
Self
Self
Platte Institute
Nebraska Federation of Independent Business,
Nebraska Chamber of Commerce and Industry
Nebraska Farm Bureau

Opponents:

Stavy Swinney
Troy Uhlir
Carl Grotelueschen
Neil Miller
Anjanette Bonham

Randy Obermier
Wade Sluka
Joe Lorenz
Kathy Hirschman

Representing:

Dawes County Travel Board
Madison County, NACO
Colfax County
Nebraska Sheriff
Nebraska Travel Association, Nebraska Hospitality Association
York County
Fillmore County
Douglas County
Howard County



Joe Kohout
Craig Beck
Jon Cannon

Lancaster County Board of Commissioners
Opensky Policy Institute
NACO

Neutral:

Mike Friend
John Hansen

Representing:

Self
Nebraska Farmers Union

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 1067 creates the State Prisoner Reimbursement Act and amends various Neb. Rev. Stats. to eliminate inheritance tax.

Section 1. Creates a new statute that creates a name and citation for the Act. ("State Prisoner Reimbursement Act")

Section 2. Creates a new definition statute that provides definitions for criminal detention and state prisoner.

Section 3. Creates a new statute allowing, starting on July 1, 2024, that allows for submission of up to thirty-five dollars (\$35.00) a day for housing a state prisoner under the Act; provides a prorated percent for reimbursement, if enough funds are not available; to be submitted on a quarterly basis; provides for a refund mechanism in case of dismissal; and sets a cap of three million nine hundred and ten thousand dollars (\$3,910,000.00) annually for such reimbursements.

Section 4. Creates a new statute authorizing county boards to submit for such reimbursement as contemplated in Section 3, and the method for such submission.

Section 5. Creates a new statute authorizing the Department of Revenue to craft regulations to enforce the Act.

Section 6. Amends Neb. Rev. Stat. § 13-518 to harmonize provisions with the Act.

Section 7. Amends Neb. Rev. Stat. § 47-120 to harmonize provisions with the Act.

Section 8. Amends Neb. Rev. Stat. § 77-2004 to reduce the amount taxed on the transfer of property to those in direct lineage of decedents or legal adoption with similar relationship dying after January 1, 2023 in the following steps: dying from January 1, 2023 through December 31, 2024, 1% of the clear market value above one hundred thousand dollars (\$100,000.00); dying from January 1, 2025 through December 31, 2025 - .75% of the clear market value of the property above one hundred thousand dollars (\$100,000.00); dying from January 1, 2026 through December 31, 2026 - .50% of the clear market value of the property above one hundred thousand dollars (\$100,000.00); dying from January 1, 2027 through December 31, 2027 - .25% of the clear market value of the property above one hundred thousand dollars (\$100,000.00); dying on or after January 1, 2028 or after - 0%.

Section 9. Amends Neb. Rev. Stat. § 77-2005 to reduce the amount taxed on the transfer of property to those in a familial relationship of uncle, aunt, nephew, or niece or legal adoption with similar relationship of decedents dying after January 1, 2023 in the following steps: dying from January 1, 2023 through December 31, 2023, 11% of the clear market value above forty hundred thousand dollars (\$40,000.00); dying from January 1, 2024 through December 31, 2024 - 5% of the clear market value of the property above forty thousand dollars (\$40,000.00); dying from January 1, 2025 through December 31, 2025 - 4% of the clear market value of the property above forty thousand dollars (\$40,000.00); dying from January 1, 2026 through December 31, 2026 - 3% of the clear market value of the property above forty thousand dollars (\$40,000.00); dying from January 1, 2027 through December 31, 2027 - 2% of the clear market value of the property above forty thousand dollars (\$40,000.00); dying on or after January 1, 2028 or after - 0%.

Section 10. Amends Neb. Rev. Stat. § 77-2006 to reduce the amount taxed on the transfer of property to in all other instances other than those mentioned in Section 8 and Section 9 of decedents dying after January 1, 2023 in the following steps: dying from January 1, 2023 through December 31, 2023, 15% of the clear market value above twenty-five hundred thousand dollars (\$25,000.00); dying from January 1, 2024 through December 31, 2024 - 5% of the clear market value of the property above twenty-five thousand dollars (\$25,000.00); dying from January 1, 2025



through December 31, 2025 - 4% of the clear market value of the property above twenty-five thousand dollars (\$25,000.00); dying from January 1, 2026 through December 31, 2026 - 3% of the clear market value of the property above twenty-five thousand dollars (\$25,000.00); dying from January 1, 2027 through December 31, 2027 - 2% of the clear market value of the property above twenty-five thousand dollars (\$25,000.00); dying on or after January 1, 2028 or after - 0%.

Section 11. Amends Neb. Rev. Stat. § 77-2015 to modify reports made by the county treasurers to the Department of Revenue, and to require certain amended reports on inheritance tax to be filed with the Department of Revenue after June 30, 2024.

Section 12. Amends Neb. Rev. Stat. § 77-2018 to harmonize provisions with the Act.

Section 13. Amends Neb. Rev. Stat. § 81-3717 to allow the County Visitors Promotion Fund and the County Visitors Improvement Fund to be used for other purposes if deemed necessary by the county board.

Section 14. Amends Neb. Rev. Stat. § 81-3720 to harmonize provisions with the Act.

Section 15. Amends Neb. Rev. Stat. § 83-4,133 to harmonize provisions with the Act.

Section 16. Repeals original sections of the Neb. Rev. Stats. listed in the sections above.

Section 17. Establishes an emergency and immediate effect upon signing due to the emergency.

Explanation of amendments:

The amendment to LB 1067 amends Section 3 to change the reimbursement rate from thirty-five dollars (\$35.00) per day to one hundred dollars (\$100.00 per day) and amends the new subsection (6) of Neb. Rev. Stat. Sec. 81-3717 to allow county government bodies to use fifty percent (50%) of the County Visitors Promotion Fund and the County Visitors Improvement Fund from the initial ability to use the full amount.

Lou Ann Linehan, Chairperson

