



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LB 670

Chairperson: Abbie Cornett
Committee: Revenue
Date of Hearing: February 18, 2009

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

LB 670 is a property and income tax relief package.

First, LB 670 grants \$100 million in property tax relief for Nebraskans for tax year 2009:

Second, LB 670 provides for income tax relief by allowing for more of the income of Nebraskans to be taxed at the lowest income tax rate.

The lowest tax rate would be changed to apply as follows:

A single return increases from \$2,400 to \$5,000,
Married filing joint returns increase from \$4,800 to \$10,000,
Head-of-household returns increase from \$4,500 to \$8,000,
Married filing separate returns increase from \$2,400 to \$5,000, and
Estates and trusts increase from \$500 to \$1,000.

By increasing the amount of income allowed in the lowest tax bracket, LB 670 grants \$99 million in income tax relief:

\$33 million by June 30, 2009
\$33 million by June 30, 2010
\$33 million by June 30, 2011

Principal Introducer: _____
Senator Pete Pirsch