

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1056**

Introduced by Davis, 43.

Read first time January 22, 2014

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 individual income tax brackets and rates as  
4 prescribed; and to repeal the original 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
10		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, and before January 1, 2015, the following  
 20 brackets and rates are hereby established for the Nebraska individual  
 21 income tax:

22                   Individual Income Tax Brackets and Rates

23	Bracket	Single	Married,	Head of	Married,	Estates	Tax
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1	Number	Individuals Filing	Household Filing	Filing	and	Rate
2		Jointly		Separate	Trusts	
3	1	\$0-2,999	\$0-5,999	\$0-5,599	\$0-2,999	\$0-499 2.46%
4	2	\$3,000-	\$6,000-	\$5,600-	\$3,000-	\$500-
5		17,999	35,999	28,799	17,999	4,699 3.51%
6	3	\$18,000-	\$36,000-	\$28,800-	\$18,000-	\$4,700-
7		28,999	57,999	42,999	28,999	15,149 5.01%
8	4	\$29,000	\$58,000	\$43,000	\$29,000	\$15,150
9		and Over	and Over	and Over	and Over	and Over 6.84%

10 (3) For taxable years beginning or deemed to begin on or  
 11 after January 1, 2015, the following brackets and rates are hereby  
 12 established for the Nebraska individual income tax:

13 Individual Income Tax Brackets and Rates

14	<u>Bracket</u>	<u>Single</u>	<u>Married,</u>	<u>Head of</u>	<u>Married,</u>	<u>Estates</u>	<u>Tax</u>
15	<u>Number</u>	<u>Individuals</u>	<u>Filing</u>	<u>Household</u>	<u>Filing</u>	<u>and</u>	<u>Rate</u>
16			Jointly		Separate	Trusts	
17	<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>2.46%</u>
18	<u>2</u>	<u>\$3,000-</u>	<u>\$6,000-</u>	<u>\$5,600-</u>	<u>\$3,000-</u>	<u>\$500-</u>	
19		<u>17,999</u>	<u>35,999</u>	<u>28,799</u>	<u>17,999</u>	<u>4,699</u>	<u>3.51%</u>
20	<u>3</u>	<u>\$18,000-</u>	<u>\$36,000-</u>	<u>\$28,800-</u>	<u>\$18,000-</u>	<u>\$4,700-</u>	
21		<u>37,499</u>	<u>74,999</u>	<u>56,249</u>	<u>37,499</u>	<u>15,149</u>	<u>5.01%</u>

1	<u>4</u>	<u>\$37,500-</u>	<u>\$75,000-</u>	<u>\$56,250-</u>	<u>\$37,500-</u>	<u>\$15,150</u>
2		<u>74,999</u>	<u>149,999</u>	<u>112,499</u>	<u>74,999</u>	<u>and Over 6.84%</u>
3	<u>5</u>	<u>\$75,000</u>	<u>\$150,000</u>	<u>\$112,500</u>	<u>\$75,000</u>	
4		<u>and Over</u>	<u>and Over</u>	<u>and Over</u>	<u>and Over</u>	<u>7.84%</u>

5           ~~(3)~~ (4) Whenever the tax brackets or tax rates are  
6 changed by the Legislature, the Tax Commissioner shall update the tax  
7 rate schedules to reflect the new tax brackets or tax rates and shall  
8 publish such updated schedules.

9           ~~(4)~~ (5) The Tax Commissioner shall prepare, from the rate  
10 schedules, tax tables which can be used by a majority of the  
11 taxpayers to determine their Nebraska tax liability. The design of  
12 the tax tables shall be determined by the Tax Commissioner. The size  
13 of the tax table brackets may change as the level of income changes.  
14 The difference in tax between two tax table brackets shall not exceed  
15 fifteen dollars. The Tax Commissioner may build the personal  
16 exemption credit and standard deduction amounts into the tax tables.

17           ~~(5)~~ (6) For taxable years beginning or deemed to begin on  
18 or after January 1, 2013, the tax rate applied to other federal taxes  
19 included in the computation of the Nebraska individual income tax  
20 shall be 29.6 percent.

21           ~~(6)~~ (7) The Tax Commissioner may require by rule and  
22 regulation that all taxpayers shall use the tax tables if their  
23 income is less than the maximum income included in the tax tables.

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