

**One Hundred Third Legislature - First Session - 2013**

**Introducer's Statement of Intent**

**LB176**

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**Chairperson: Senator Galen Hadley**

**Committee: Revenue**

**Date of Hearing: January 31, 2013**

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

LB 176 would exempt military retirement benefits from state income tax. The bill would allow for the exemption in 10% increments. Beginning with tax year 2014, 10% of retirement benefits would be exempt. The exemption would increase by 10% each year thereafter until 100% of retirement benefits are exempt from income tax in year 2023.

**Principal Introducer:** \_\_\_\_\_

**Senator Jim Smith**