

LEGISLATURE OF NEBRASKA
ONE HUNDRED FIFTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 49

Introduced by Schumacher, 22.

Read first time January 05, 2017

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
2 77-2714, Reissue Revised Statutes of Nebraska, and section 77-2701,
3 Revised Statutes Cumulative Supplement, 2016; to provide for the
4 treatment of certain amendments to the Internal Revenue Code; to
5 harmonize provisions; to provide an operative date; and to repeal
6 the original sections.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2701, Revised Statutes Cumulative Supplement,
2 2016, is amended to read:

3 77-2701 Sections 77-2701 to 77-27,135.01, 77-27,235, 77-27,236, and
4 77-27,238 and section 3 of this act shall be known and may be cited as
5 the Nebraska Revenue Act of 1967.

6 Sec. 2. Section 77-2714, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 77-2714 Any term used in sections 77-2714 to 77-27,123 shall have
9 the same meaning as when used in a comparable context in the laws of the
10 United States relating to federal income taxes, unless a different
11 meaning is clearly required. Any reference to the laws of the United
12 States shall mean the provisions of the Internal Revenue Code of 1986,
13 and amendments thereto, other provisions of the laws of the United States
14 relating to federal income taxes, and the rules and regulations issued
15 under such laws, as the same may be or become effective, at any time or
16 from time to time, for the taxable year, except as otherwise provided in
17 section 3 of this act. Any reference to either the Internal Revenue Code
18 of 1954, the Internal Revenue Code of 1986, or the Internal Revenue Code
19 shall mean and include a reference to the other, whenever appropriate.
20 All other references to any tax contained within sections 77-2714 to
21 77-27,123 refer to income tax unless the contrary appears. Any
22 organization to the extent that it is exempt from income taxes under the
23 laws of the United States shall be exempt from income tax under the
24 Nebraska Revenue Act of 1967.

25 Sec. 3. (1) Except as provided in subsection (3) of this section
26 and unless expressly provided otherwise by law, an amendment of the
27 Internal Revenue Code that, for a taxable year that begins in the
28 calendar year in which the amendment is enacted, affects the
29 determination of federal adjusted gross income or federal taxable income
30 shall not affect the determination of Nebraska taxable income under the
31 Nebraska Revenue Act of 1967 for any taxable year that begins in the

1 calendar year in which the amendment is enacted.

2 (2) Within sixty days after an amendment of the Internal Revenue
3 Code is enacted, the Tax Commissioner shall prepare and submit to the
4 Governor, the Legislative Fiscal Analyst, the Speaker of the Legislature,
5 and the chairpersons of the Executive Board of the Legislative Council,
6 the Revenue Committee of the Legislature, and the Appropriations
7 Committee of the Legislature a report that outlines:

8 (a) The changes in the Internal Revenue Code; and

9 (b) The impact of those changes on state revenue and on various
10 classes and types of taxpayers.

11 (3) Subsection (1) of this section does not apply to an amendment of
12 the Internal Revenue Code if the Tax Commissioner determines that the
13 impact of the amendment on state income tax revenue for the fiscal year
14 that begins during the calendar year in which the amendment is enacted
15 will be less than five million dollars.

16 Sec. 4. This act becomes operative on January 1, 2018.

17 Sec. 5. Original section 77-2714, Reissue Revised Statutes of
18 Nebraska, and section 77-2701, Revised Statutes Cumulative Supplement,
19 2016, are repealed.