

One Hundred Fifth Legislature - Second Session - 2018

Introducer's Statement of Intent

LB1021

Chairperson: Senator Jim Smith

Committee: Revenue

Date of Hearing: February 27, 2018

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

LB1021 was introduced for purposes of reviewing numerous agriculture production sales and use tax exemptions granted to the agricultural economy over the years, the revenue reducing impact on the General Fund for which totals about \$1.5 billion dollars. The bill demonstrates that in the event that the state is placed in acute financial distress by political or economic forces limiting public access to traditional forms of taxation, the sales and use tax exemptions accommodating the agricultural economy have the potential to become a source of substitute revenue to pay for property tax refunds proposed in legislation and in an initiative petition effort that will impact the general fund by a 10 figure amount.

Principal Introducer: _____

Senator Paul Schumacher