

One Hundred Eighth Legislature - First Session - 2023

Introducer's Statement of Intent

LB79

Chairperson: Senator Lou Ann Linehan

Committee: Revenue

Date of Hearing: March 03, 2023

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

LB79 implements the EPIC Option Consumption Tax. The EPIC Option Consumption Tax is an acronym where the word EPIC stands for the Elimination of Property, Income and Corporate taxes. The EPIC Option Consumption Tax would repeal all state taxes except consumption taxes and excise taxes.

LB 79 establishes the taxpayer's Bill of Rights.

The EPIC Option Consumption Tax imposes a tax on the sale of new goods and services. Used goods are never taxed. There is no tax on business-to-business transactions or investments. No good or service may be taxed in more than one way. If a good or service is subject to an excise tax, it cannot be subjected to a consumption tax, and vice versa.

The EPIC Option Consumption Tax retains local control over the budgeting process. Counties submit their budgets to five regional representatives who comprise the Budget Equalization and Review Board. Funding for counties comes from the state.

School Districts retain local control over the budgeting process. School districts submit their budgets to five regional representative who comprise the School Equalization and Review Board. Funding for school districts comes from the state.

LB 79 establishes a starting consumption tax rate of 7.5% beginning January 1, 2026. The Legislature retains sole authority to change the rate.

Principal Introducer: _____

Senator Steve Erdman