

# About OpenSky Policy Institute

The best choices are informed choices. At OpenSky, we work to make sure lawmakers and other leaders have quality data and research to make decisions that help our communities thrive.

We are **non-partisan** and focus on **tax, budget, and education finance** policy in Nebraska.

# Timing and implications of federal tax reform and budget cuts

# Budget resolution = first step (late Sept/early Oct)

- Does not change any spending or tax provision
- Sets “rules of the road” for budget legislation for the year – including rules for tax legislation:
  1. Tells appropriations committee how much money they have to work with. They deal with discretionary spending only, i.e. education, research and transportation.
  2. Can also contain “reconciliation instructions” for tax reform, directing committees to cut/raise revenue or cut/raise spending on entitlements by a set amount.

# Scenarios for tax reconciliation instructions

## Revenue neutral

- Tax cuts are paid for with revenue increases

## Deficit neutral

- Tax cuts can be paid for by spending cuts

## Revenue losing

- Tax cuts aren't paid for
- Add to the deficit
- Risk of future spending cuts

# Why Use Reconciliation Process for Tax Reform?

- A reconciliation bill that follows the reconciliation instructions in a budget resolution can pass the Senate with 50 votes and can't be filibustered.
- Otherwise requires 60 votes in the Senate to pass tax reform.

# Status of Budget Resolution

## In the House

- Has passed Budget Committee
- Could go to House floor in September
- Assumes trillions in entitlement cuts, with reconciliation instructions to require at least \$203 billion in cuts (i.e. Social Security/Medicare/Medicaid)

## In the Senate

- Still being drafted
- Could move at the end of September
- Will it require entitlement cuts?
- Early reports indicate the Senate's tax instructions will likely be "revenue losing" (\$1.5 trillion/decade)

\*\*\*To use the reconciliation process, the two will need to agree at some point

# Budget Timeline/Implications

- Continuing resolution funds government through December 8
- House is poised to pass all 12 appropriations bills (“megabus”)
- Senate is still considering appropriations bills
- BUT there are major differences between House and Senate bills
- Budget cuts made to pay for tax reform could significantly reduce federal funding to the state, primarily in HHS and education.

# Federal tax reform implications

- Our state tax code is highly coupled (linked) with the federal tax code. Therefore, changes to the federal tax code could automatically increase or decrease state revenues.
- For example, the 2002 Bush tax cuts were estimated to reduce Nebraska income tax revenue by \$416 million between FY02 and FY07.
- Nebraska partially decoupled, reducing the revenue loss to an estimated \$84 million over the same period.
- Ex: elimination of the ability to itemize property taxes would raise state revenue; allowing companies to immediately deduct the cost of capital investments from their tax bill would decrease state revenue



# Why does this matter?

In order to pay for tax reform, Congress could cut entitlements (i.e. SSI/Medicare/Medicaid) and/or discretionary spending (i.e. research/veterans' health care/education), some of which goes to the states (education, Medicaid).

Tax reform itself could reduce state revenue.

If either or both of these things happen, will we raise state revenue or what services will we cut?

# Parting Thoughts

State Tax Notes, April 3, 2017:

- “The recent trend of state tax revenue falling short of budgeted expectations has exacerbated the problem of state budget deficits. Federal reforms could put further strain on state tax policy decision making.”  
*Mark J Richards, Ice Miller, LLP*
- “Maybe I’m unduly pessimistic, but I fear state and local governments will be served a heaping helping of spinach before this is all over.” *Billy Hamilton, CFO, Texas A&M*

# Nebraska's Changing Demographics

## OpenSky's 2017 Fall Policy Symposium

September 21, 2017

Jerry Deichert  
UNO Center for Public Affairs Research

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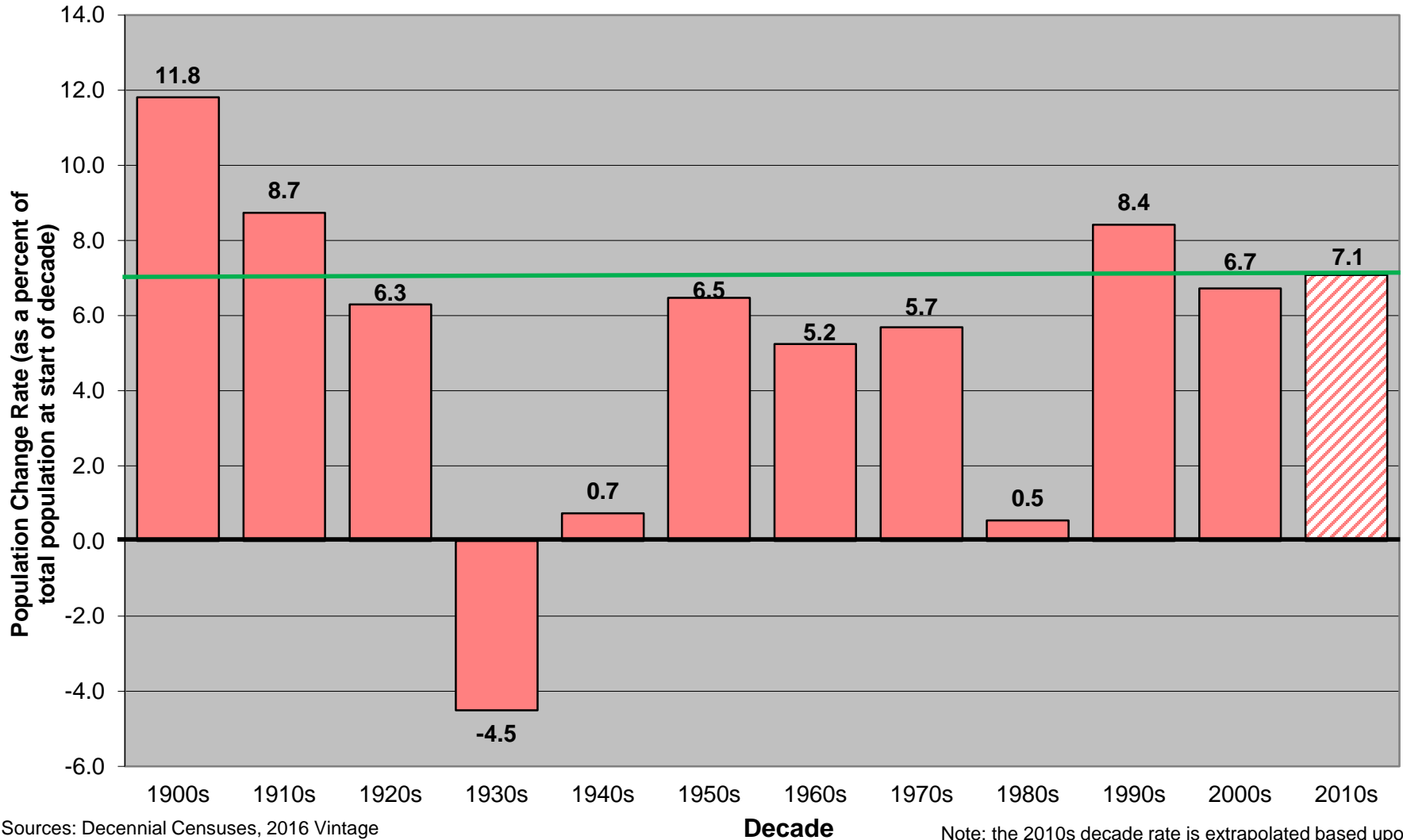
## **Three Major Trends in Population**

- 1. Nebraska's population is becoming more and more concentrated in its most populous counties.**
- 2. The state's population is getting older and will continue to age.**
- 3. The state's population is becoming more racially and ethnically diverse**

## State Population Summary

- In 2010, Nebraska had a population count of 1,826,341 persons, an increase of 115,076 or 6.7% from the 2000 count of 1,711,265.
  - Nebraska ranked 30th highest in percentage change in population (an increase from 37th highest in 1990s).
- Nebraska's growth rate of 6.7% in the 2000s was not as strong as the 8.4% rise seen in the 1990s.
  - However, it did exceed the average decade growth rate between 1950 and 2000 (5.3%).
  - The growth rate in the 1990s was the highest since the 1910s.
- In 2016, Nebraska's estimated population was 1,907,116.
  - Record high; first time above the 1.9 million mark
  - Up 4.4% since 2010 (ranks 24<sup>th</sup> highest)
  - Compares to 4.7% national growth rate

### Nebraska Population Change Rate by Decade: 1900s to 2000s with 2010s Extrapolated from 2016



Sources: Decennial Censuses, 2016 Vintage Population Estimates, U.S. Census Bureau

Note: the 2010s decade rate is extrapolated based upon what is estimated to have occurred between 2010 and 2016.

# County Population Summary

- 30 Nebraska counties gained population while 63 lost population between 2010 and 2016.
  - Compares to 24 growing counties in the 2000s, 40 in the 1990s, and only 10 in the 1980s.
- Nebraska's 3 most populous counties, Douglas, Lancaster, and Sarpy counties are among the state's fastest growing
  - In 2016, Douglas, Lancaster, and Sarpy surpassed 1 million residents, accounting for 54.7% of Nebraska's population, up from 52.6% in 2010 and 48.9% in 2000.
  - These 3 counties grew 8.2% between 2010 and 2016 while the remaining 90 counties fell 0.2%.
  - These 3 counties grew 14.9% between 2000 and 2010 while the remaining 90 counties lost 1.1%.

## County Population Summary (Continued)

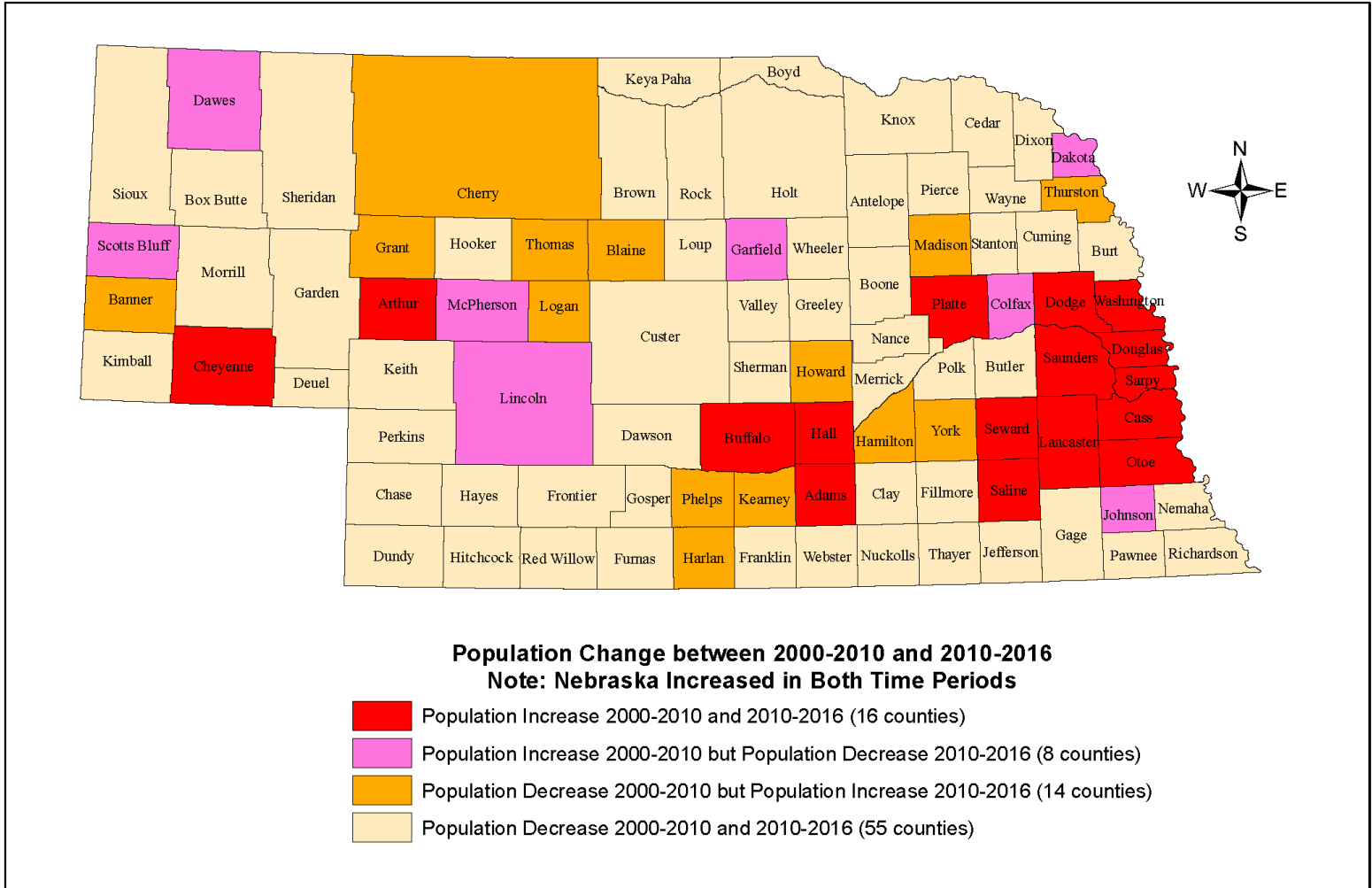
- Between 2000 and 2010 and between 2010 and 2016 metropolitan counties (2013 definitions) added population, but nonmetropolitan counties lost population.

	<u>2010-2016</u>	<u>2000-2010</u>
– Metropolitan	7.2%	13.0%
– Nonmetropolitan	-0.9%	-2.6%
• Micropolitan	0.6%	2.0%
• Largest city 2,500 to 9,999 persons	-1.1%	-4.3%
• Largest city under 2,500 persons	-3.1%	-7.8%

- Nebraska’s legislative districts were redrawn after the 2010 Census with metro areas gaining more representation.
  - Average legislative district size based on 2010 Census is 37,272 persons.
  - Legislative district 49 was moved from Northwest Nebraska to Sarpy County.



## Population Change in Nebraska Counties: 2000-2010 and 2010-2016

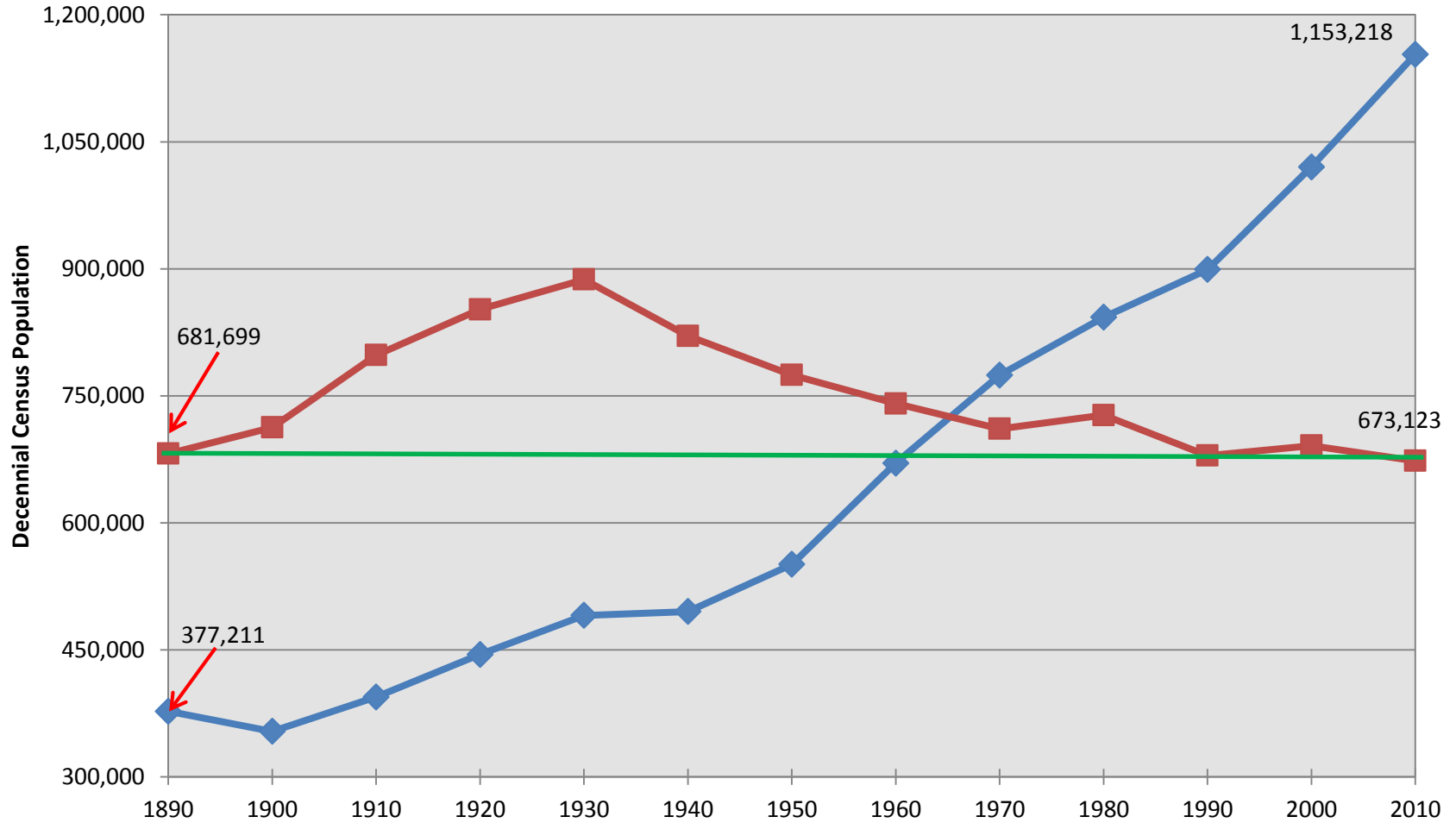


Sources: 2000 and 2010 Decennial Censuses, 2016 Vintage Population Estimates, U.S. Census Bureau

Prepared by: David Drozd, Center for Public Affairs Research, University of Nebraska at Omaha - March 21, 2017

Note: The closure of Dana College is not fully reflected for Washington County, as the Census Bureau is still including students in dorms in the estimates.

## Total Population for Nebraska Metro and Nonmetro Counties (2013 Definitions): 1890 - 2010

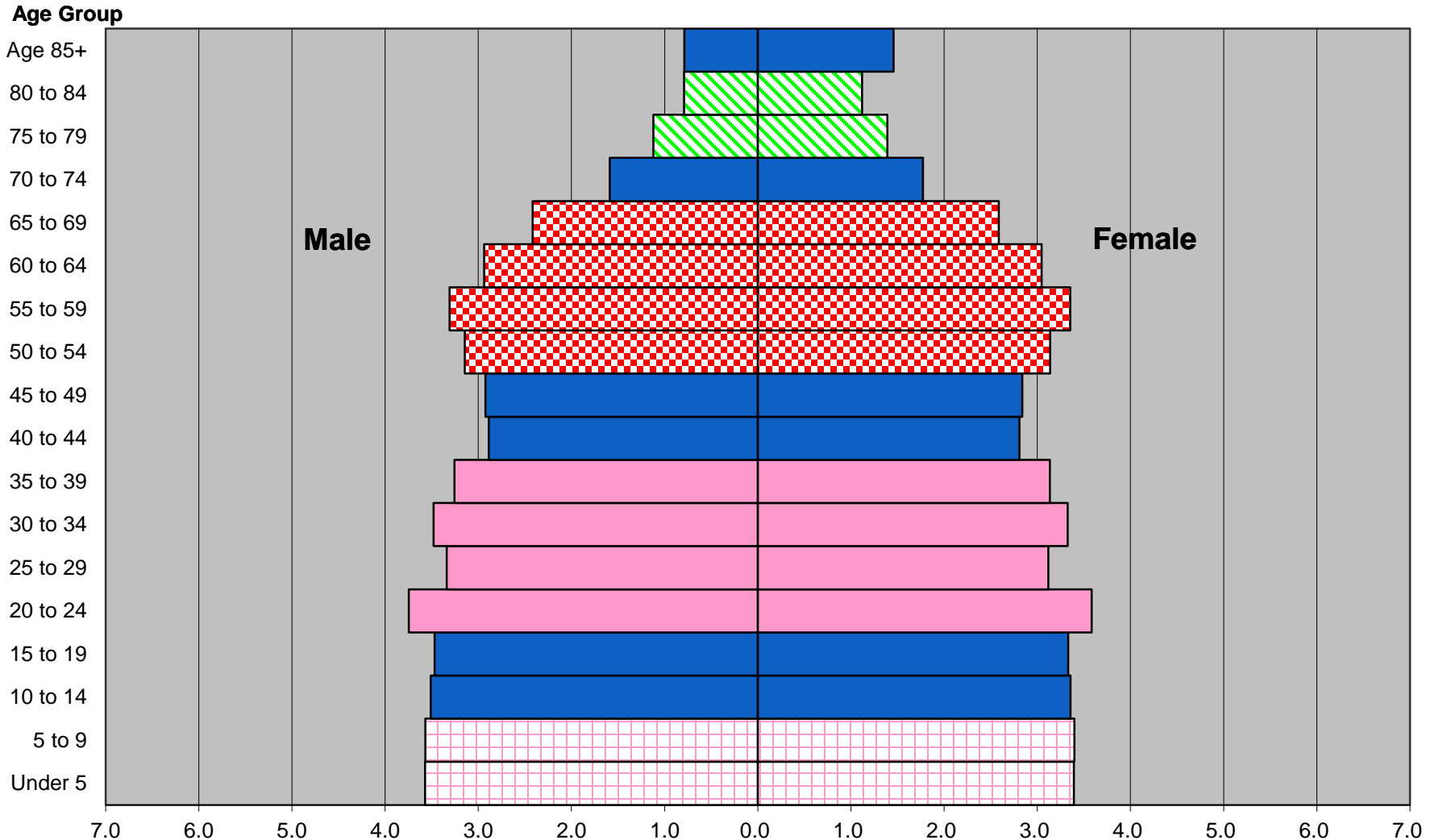


Sources: Decennial Censuses, U.S. Census

◆ Metro counties (13)    ■ Nonmetro counties (80)

Compiled and Prepared by: UNO  
Center for Public Affairs Research

## July 1, 2016 Nebraska Estimated Population by Sex and Five-Year Age Group

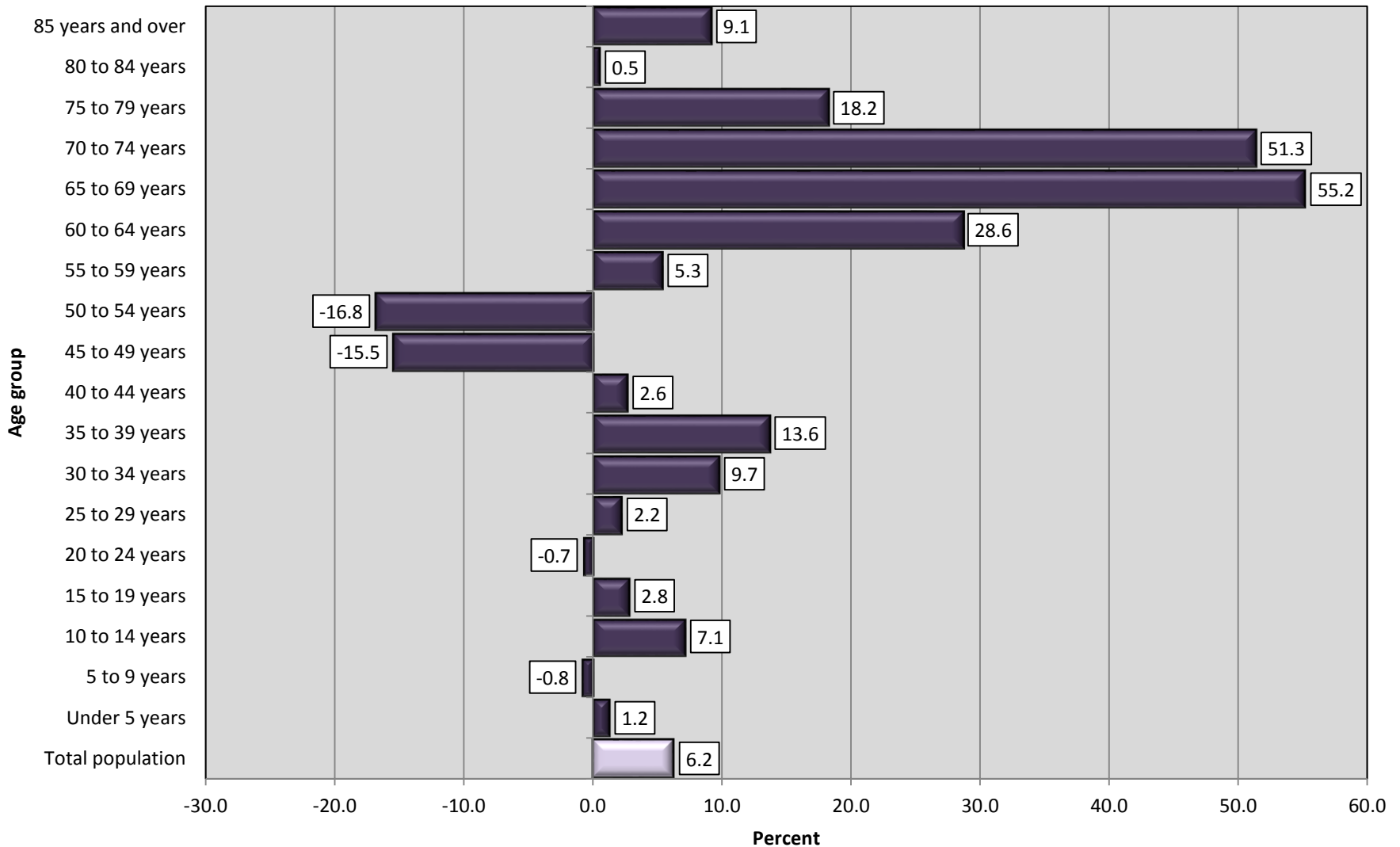


Source: 2016 Vintage Population Estimates, U.S. Census Bureau

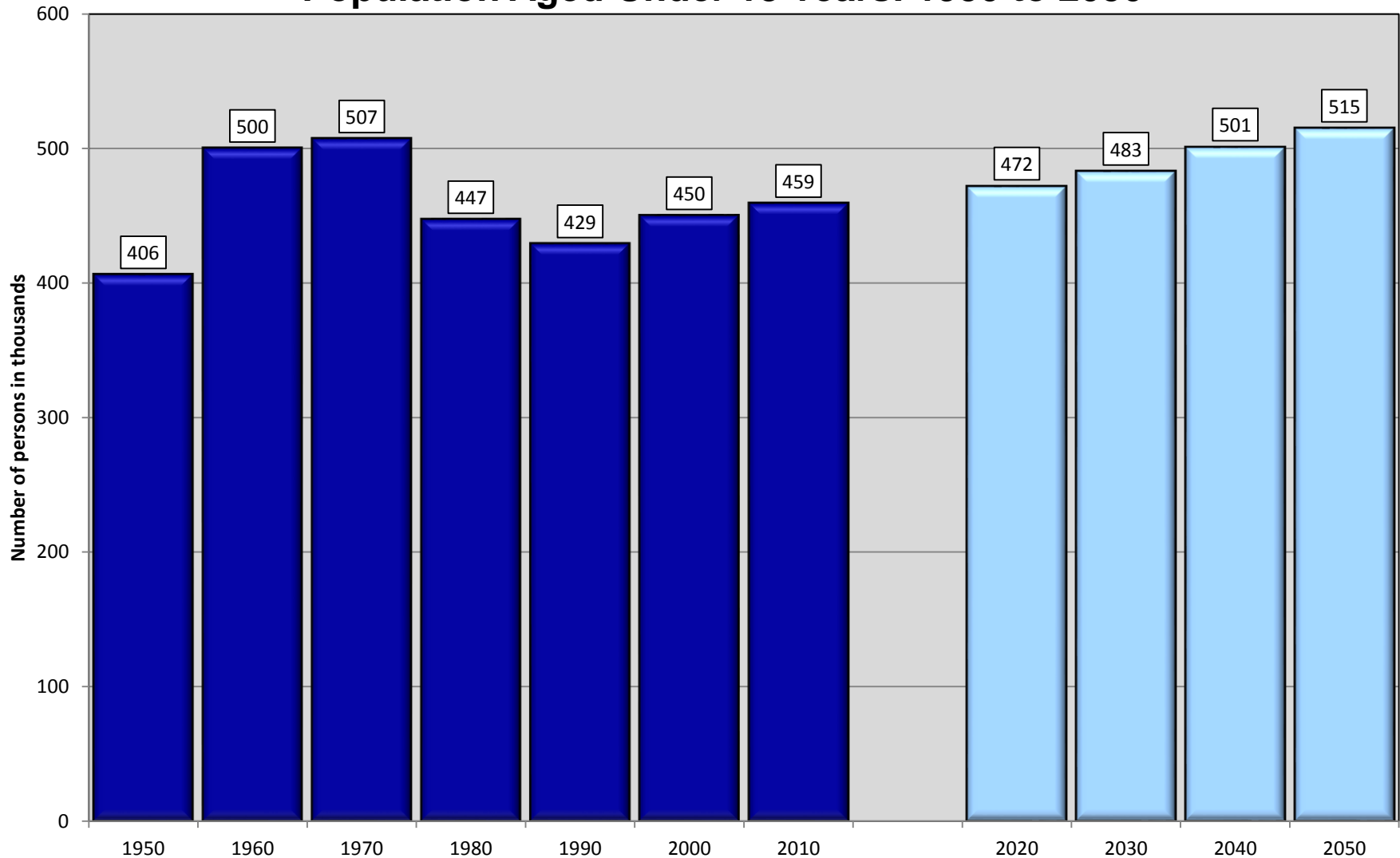
**Percent of Total Population**

Green lines depict the depression cohort; red checker shows the "baby boom"; pink represents the "baby boom echo"; pink crosshatch shows the "3rd wave"

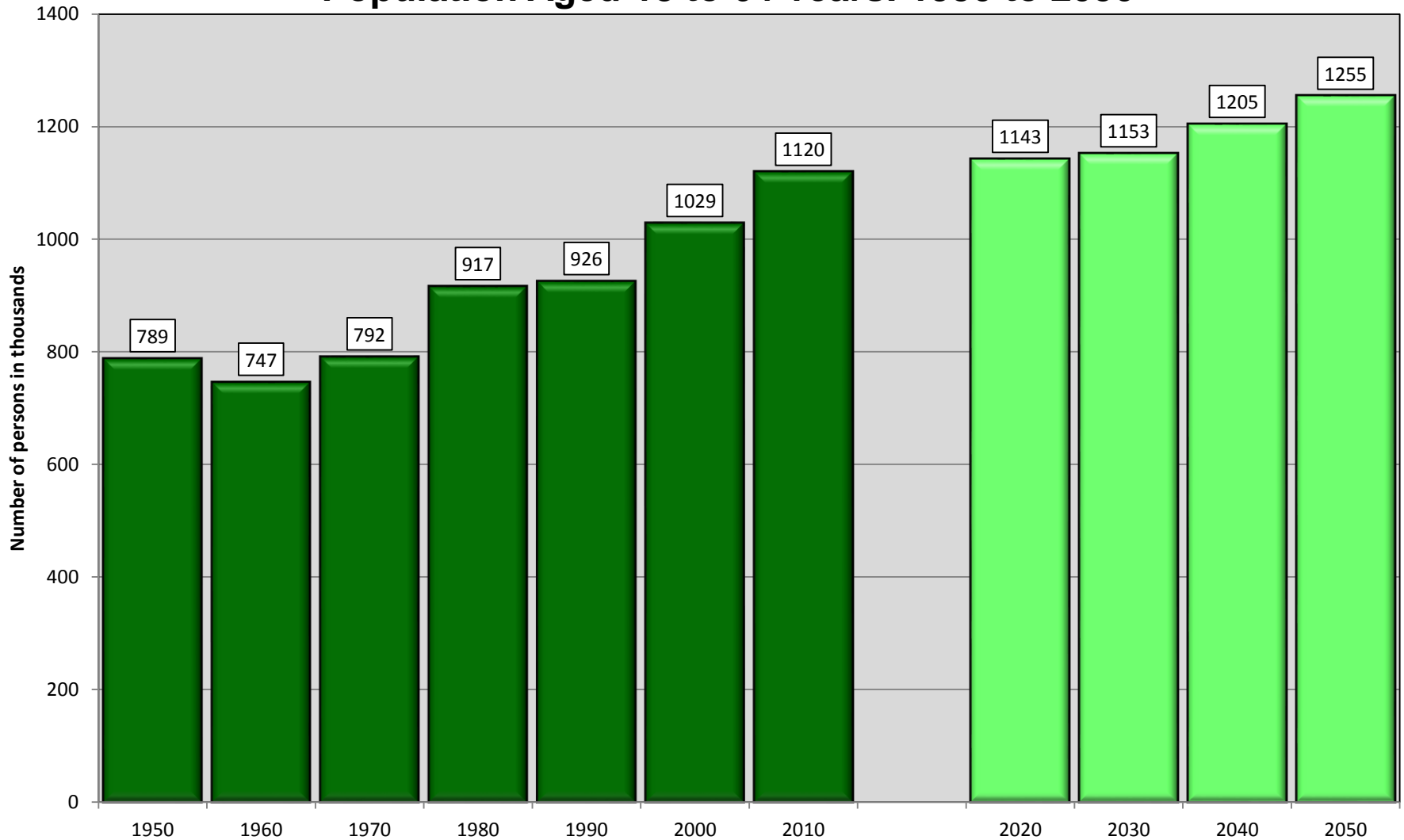
## Percentage Change in Nebraska Population by 5-year Age Group: 2010-20



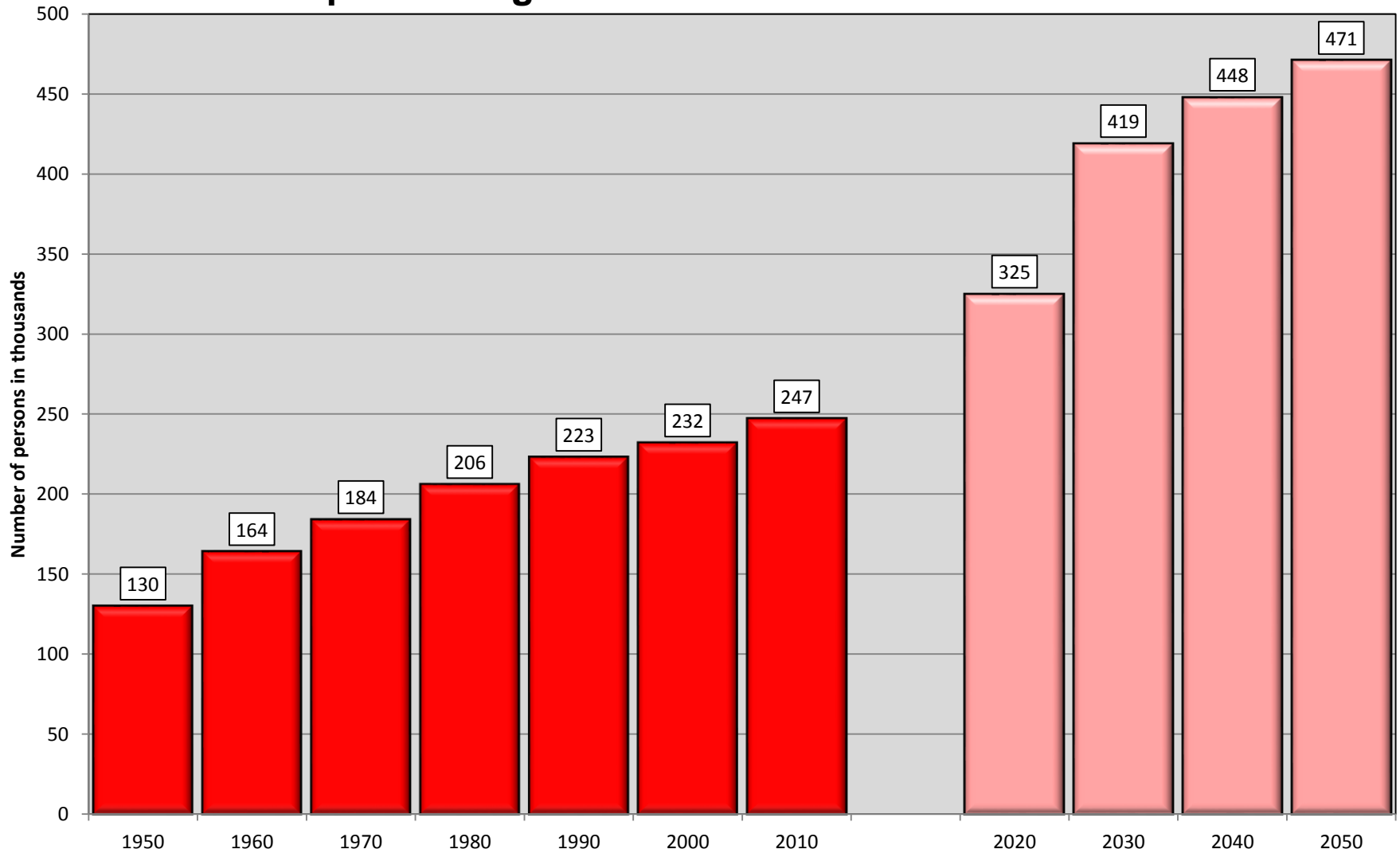
## Population and Population Projections for the Nebraska Population Aged Under 18 Years: 1950 to 2050



## Population and Population Projections for the Nebraska Population Aged 18 to 64 Years: 1950 to 2050



## Population and Population Projections for the Nebraska Population Aged 65 Years or Older: 1950 to 2050

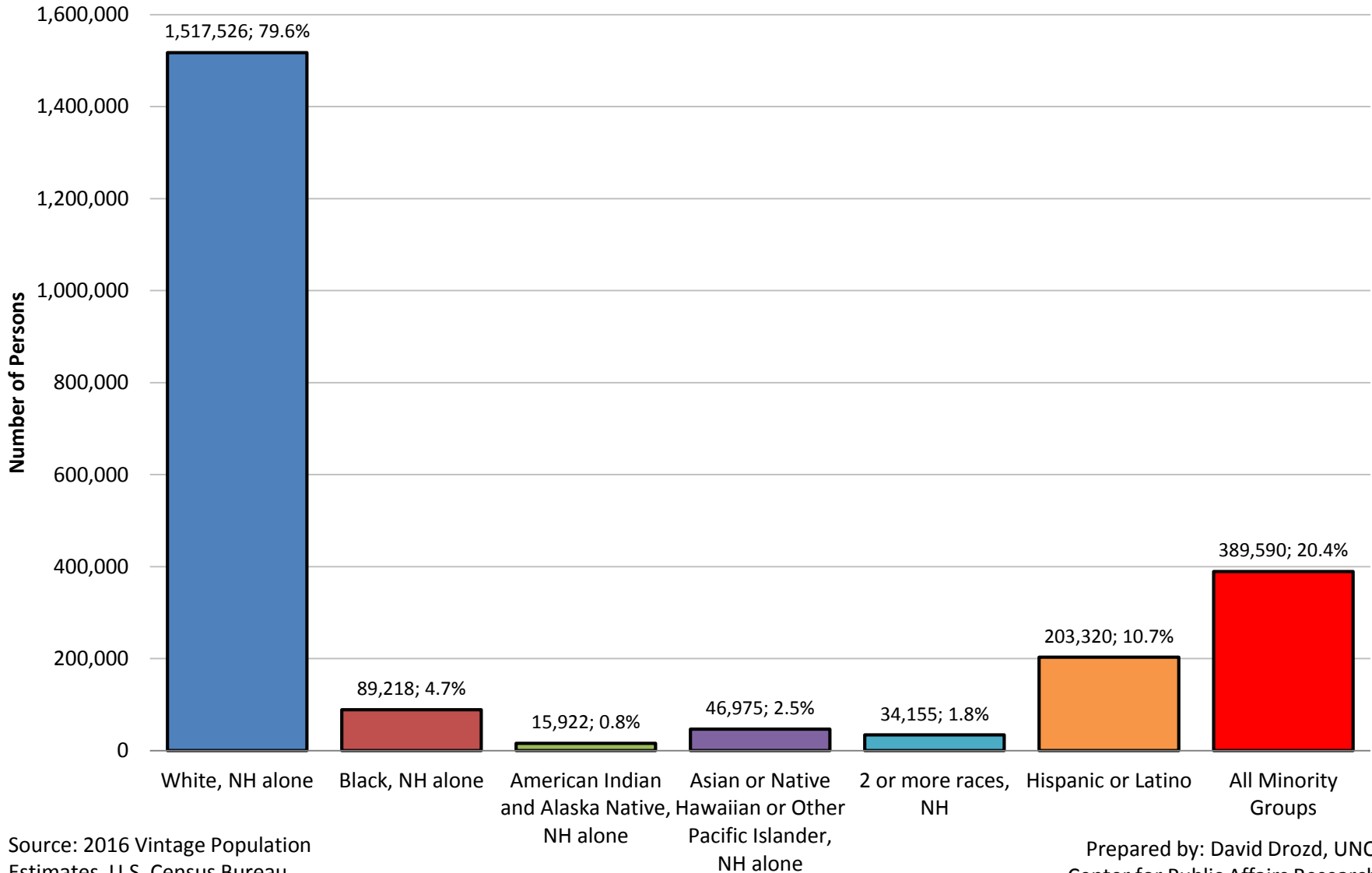


## Race and Hispanic/Latino Origin

- Nebraska's population growth is predominately in minority racial and ethnic groups. Between 2000 and 2010:
  - Hispanic or Latino (of any race) grew by 77%
    - Accounted for nearly two-thirds of state's overall population increase
  - The non-Hispanic White population barely increased (0.4%)
- In 2016, the minority population was 20.4% of the state's population
  - Up from 17.9% in 2010, 12.7% in 2000 and 7.4% in 1990
- Minority population is much younger
  - Relatively more under age 45
  - Relatively fewer age 45+



## Nebraska Population by Race and Ethnicity with Percentage of Total Population: 2016



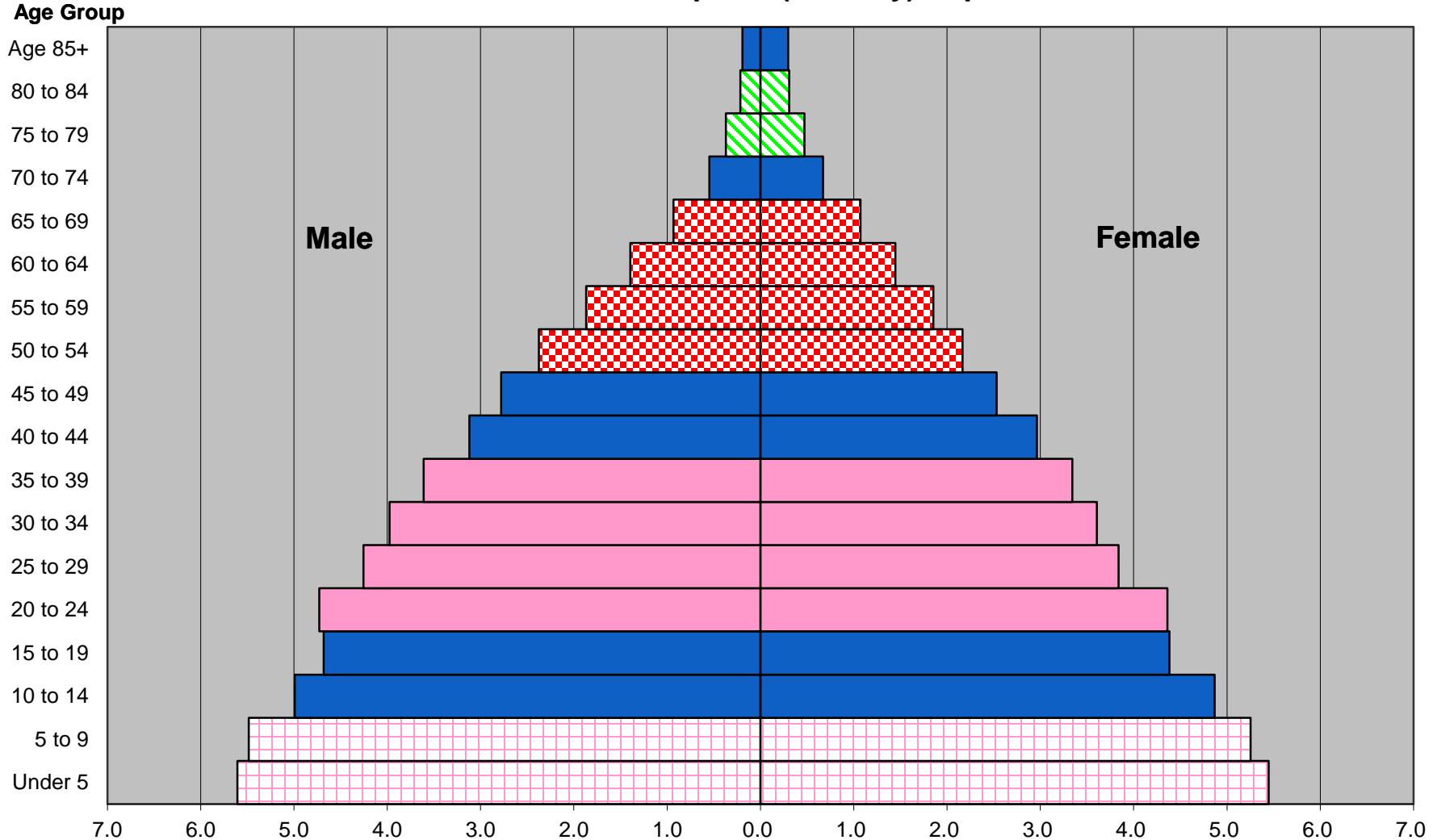
Source: 2016 Vintage Population Estimates, U.S. Census Bureau

Prepared by: David Drozd, UNO Center for Public Affairs Research

## Race and Hispanic/Latino % Change 2010-2016 and 2000-2010

	<u>2010-16</u>	<u>2000-10</u>
• Total population	4.4%	6.7%
• <b>Not Hispanic/Latino Origin</b>	<b>2.7%</b>	<b>2.6%</b>
– White alone	1.1%	0.4%
– African American or Black alone	8.9%	19.9%
– American Indian & Alaska Native alone	7.2%	9.9%
– Asian alone	41.9%	47.2%
– Nat. Hawaiian, Pac. Islander alone	29.5%	49.3%
– Some other race alone	n/a	59.5%
– Two or more races	25.3%	60.6%
• <b>Hispanic/Latino Origin</b>	<b>21.5%</b>	<b>77.3%</b>
• <b>Minority</b>	<b>20.0%</b>	<b>50.7%</b>

### July 1, 2016 Nebraska Estimated Population by Sex and Five-Year Age Group: Non-White or Hispanic (Minority) Population

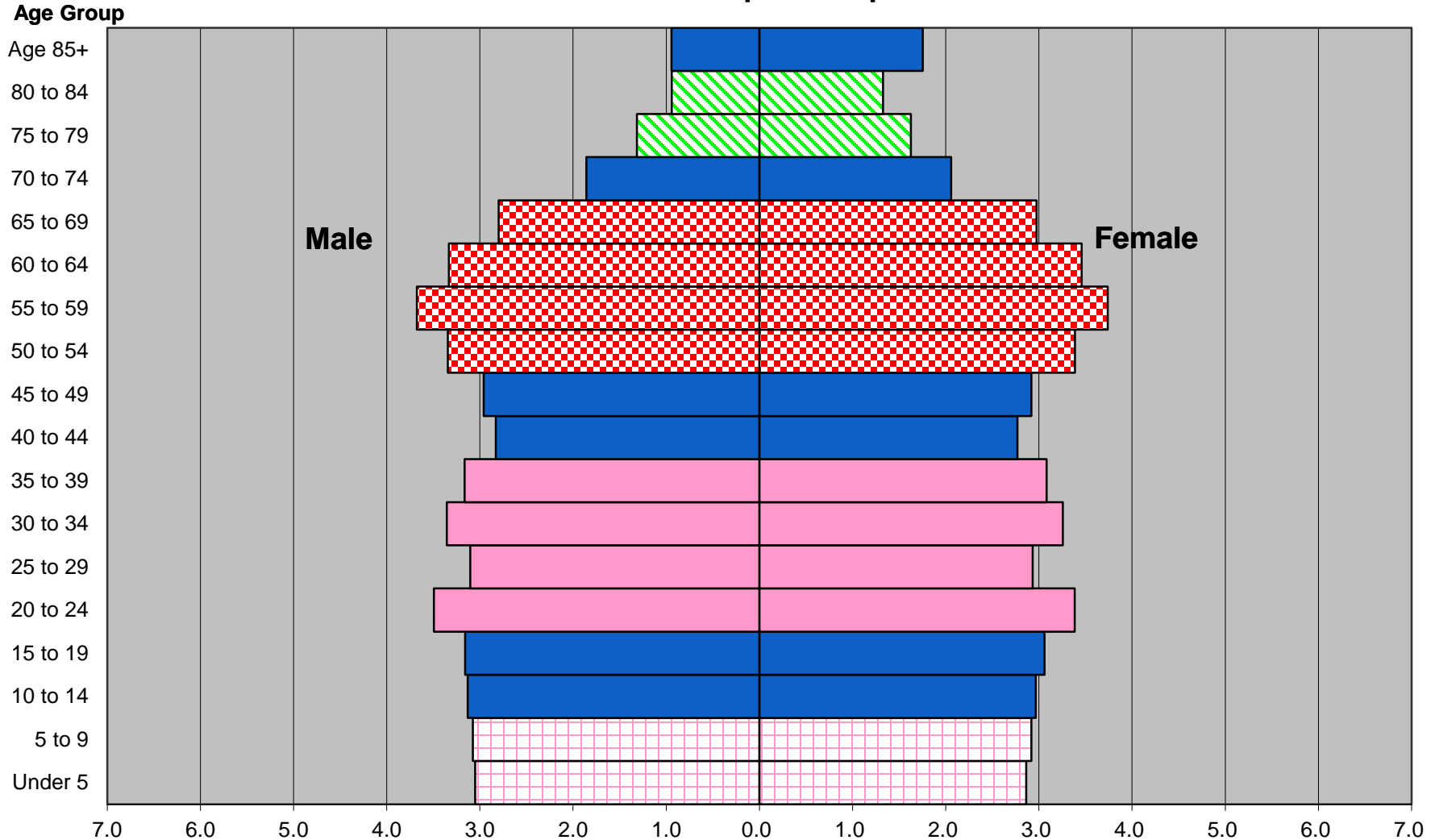


Source: 2016 Vintage Population

Percent of Total Population

Green lines depict the depression cohort; red checker shows the "baby boom"; pink represents the "baby boom echo"; pink crosshatch shows the "3rd wave"

### July 1, 2016 Nebraska Estimated Population by Sex and Five-Year Age Group: White non-Hispanic Population

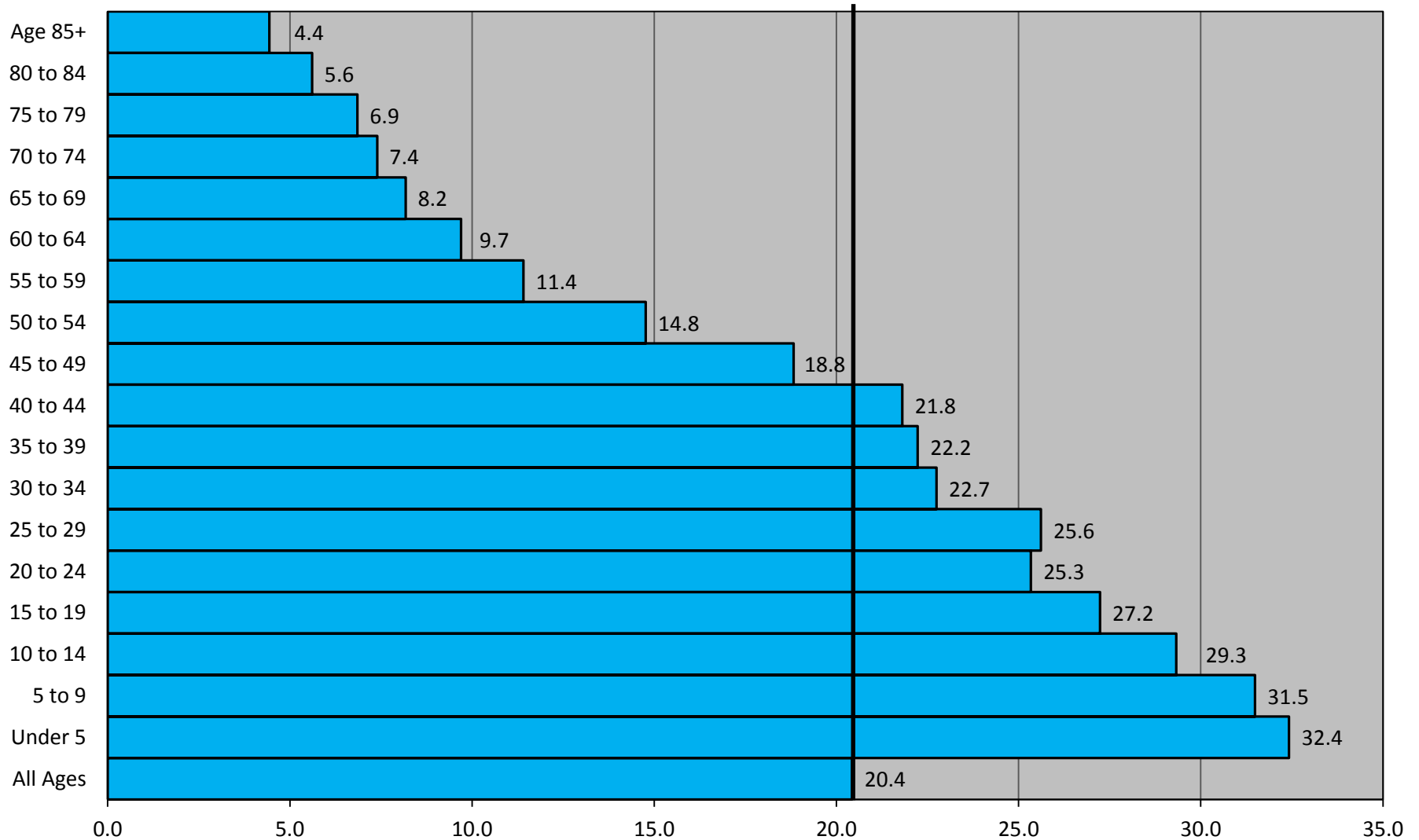


Source: 2016 Vintage Population

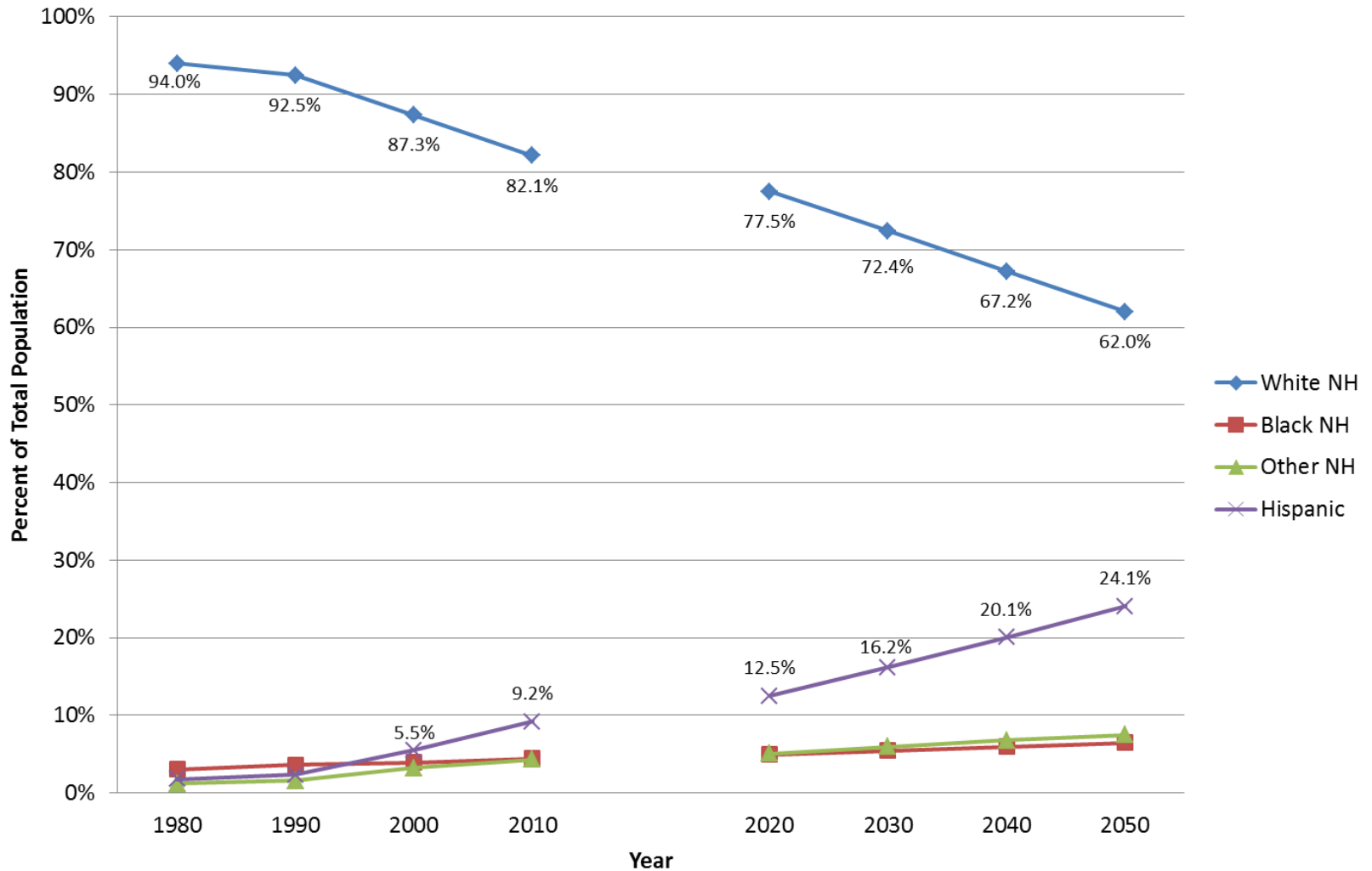
Percent of Total Population

Green lines depict the depression cohort; red checker shows the "baby boom"; pink represents the "baby boom echo"; pink crosshatch shows the "3rd wave"

**July 1, 2016 Nebraska Population by Five-Year Age Group:  
Non-White or Hispanic/Latino (Minority Population) as a Percent of State Total**



**Percent of Nebraska Population by Race/Ethnicity: 1980 to 2010 with 2020 to 2050 Projection**



Source: Decennial Censuses; CPAR projections, June 2013

# Nebraska's Changing Demographics and What They Mean for State Policy: An Update from the Legislature's Planning Committee

Sen. John Stinner, chair of the Appropriations Committee and member of the Legislature's Planning Committee

Sen. Jim Scheer, Speaker of the Legislature and a member of the Legislature's Planning Committee

Sen. Tony Vargas, vice chair of the Legislature's Planning Committee and the Appropriations Committee

Sen. Paul Schumacher, chair of the Legislature's Planning Committee and a member of the Revenue Committee

Jerry Deichert, director of the Center for Public Affairs Research at the University of Nebraska Omaha



Clear thinking for  
a stronger Nebraska



# Kansas: Lessons Learned

Devin Wilson, education advocate for  
Game On for Kansas Schools

Rep. Melissa Rooker, member of the  
Kansas House of Representatives

Moderator: Sen. Kate Bolz, vice chair of the  
Appropriations Committee



Clear thinking for  
a stronger Nebraska

# Tax Incentives: At the Crossroads

Greg LeRoy ~ Good Jobs First

Open Sky Policy Institute ~ Fall Symposium

Lincoln, Nebraska ~ September 21, 2017

GOOD  
JOBS  
FIRST

# Good Jobs First:

Since 1998, a resource for

Policymakers, Academics, Grassroots, Journalists

- Model Research and Publications
- 50-State “Report Card” Studies
- Subsidy Tracker
- Testimony, Training and Speaking
- Technical Assistance and Advocacy

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# >\$70 Billion per Year!

- Property Tax Abatements
- Tax Increment Financing (TIF) Districts
- Corporate Income Tax Credits
- Personal Income Tax Diversions
- Sales Tax Exemptions & Diversions
- Tax-free Loans
- Enterprise Zones
- Training Grants
- Dedicated Infrastructure

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# My Big-Picture Advice:

- Tune out the “Economic War Among the States”
- Ignore demands for “megadeals”
- Terminate big-ticket programs
- Remember 2% and 98%

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# “Economic War Among the States”

- Constitutional federalism
- No governors’ debates since 1993
- Supreme Court ducks issue in 2006
- No leadership by legislators, developers
- Now: more federal austerity

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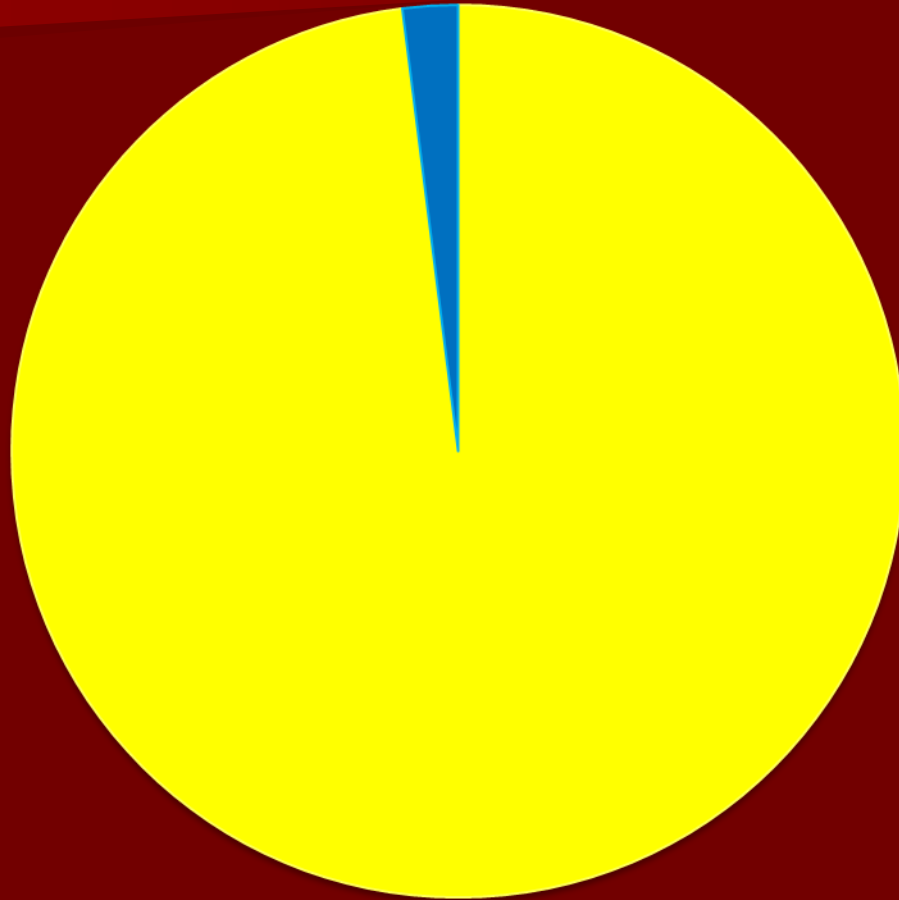
# Born in the South, Now Affecting Budgets Everywhere

- Boeing \$8.7B Washington State
- Tesla \$1.3B/Nevada
- Intel \$2 billion/Oregon
- Sears \$532 million/Illinois
- Alcoa \$5.6 billion/New York
- Royal Dutch Shell \$1.6 billion/ Pennsylvania
- Amazon HQ2 \$?? /TBD

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# Site Location 101



■ Business Basics: 98%

■ All State and Local Taxes Combined: 2%

**GOOD  
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FIRST**

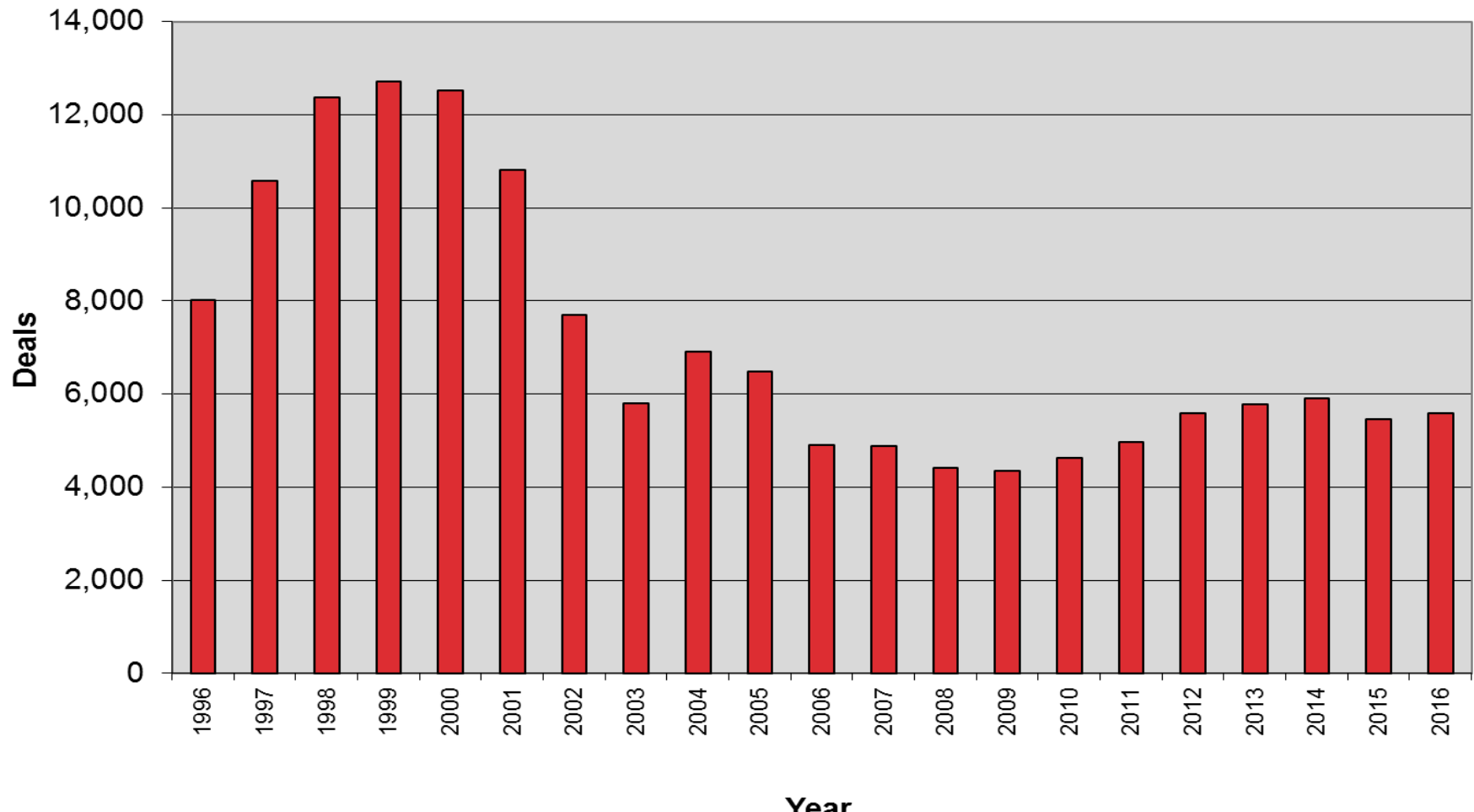
# Pro-98% Proven Investments

- Great schools, community colleges, vocational education and universities
- Efficient infrastructure
- High-performance utilities
- University partnerships
- Public safety/Quality of life

GOOD  
JOBS  
FIRST

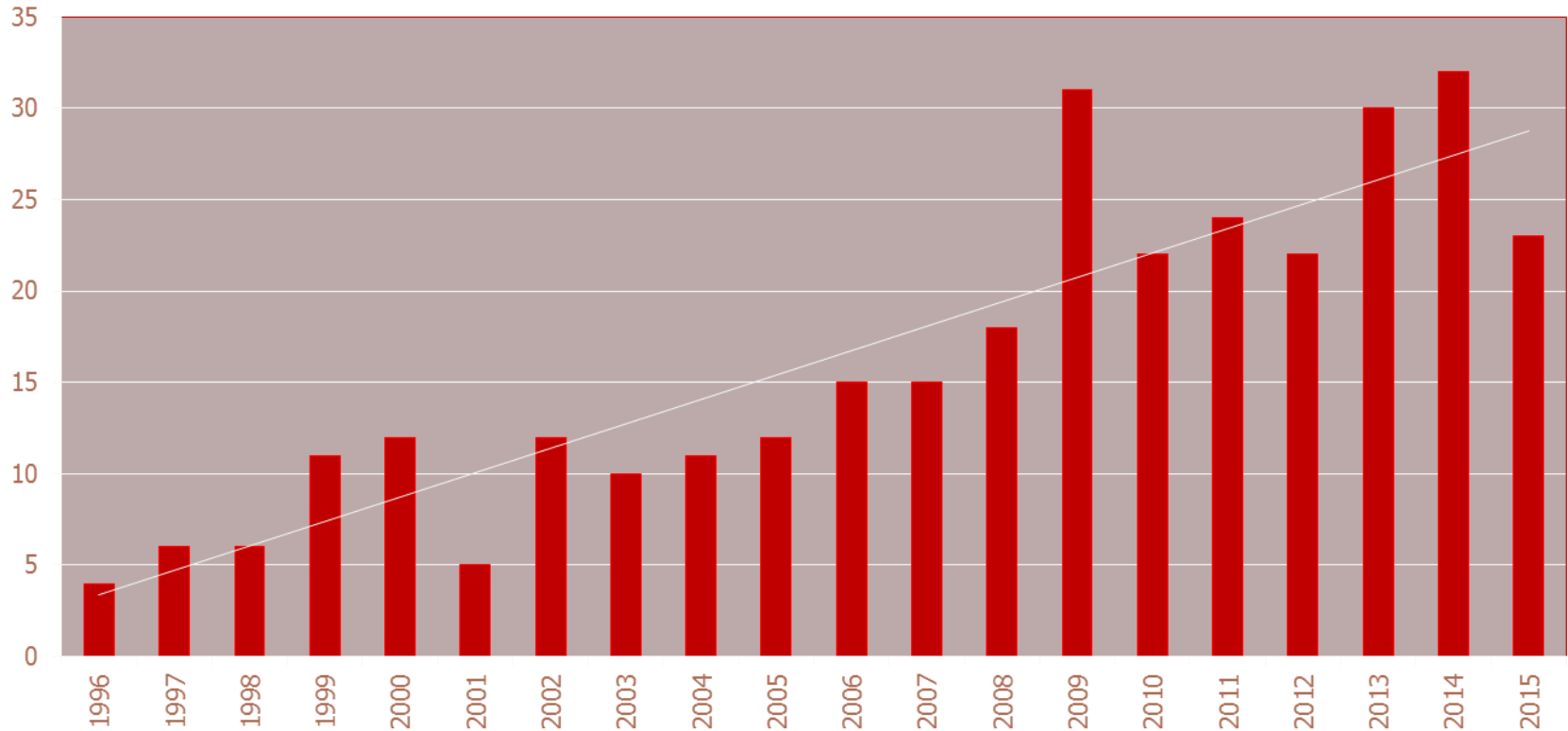
# Deal Flow: Structural Decline

**New U.S. Facilities and Expansions 1996 - 2016**  
as Tracked by Conway Data, Inc.



# Megadeals: Surging Since 2008

## Annual Number of Megadeals



378 Megadeals

\$658,000/job

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# Trump Effect



“And [companies] can leave from state to state and they can negotiate good deals with the different states and all of that. But leaving the country is going to be very, very difficult.”

# Shortchanging Small Business

***70% of awards***

***90% of dollars***

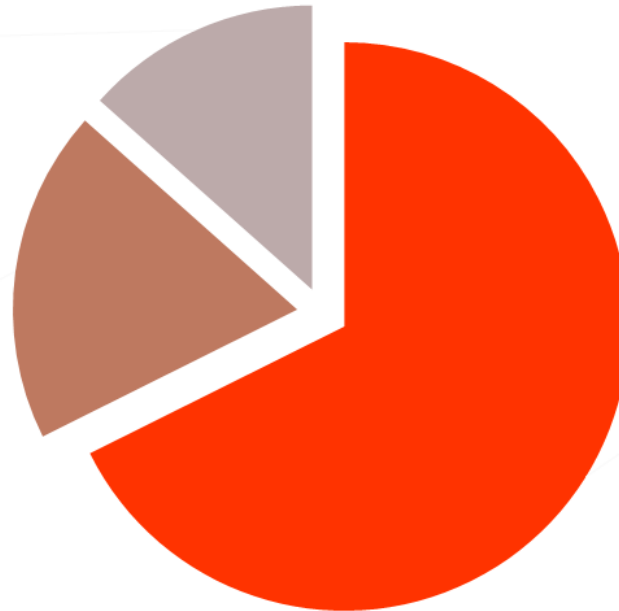


# Slicing the Budget Pie for Big Business

## Economic Development Spending in Florida, Missouri and New Mexico

Benefiting  
Companies  
of Any Size  
13%

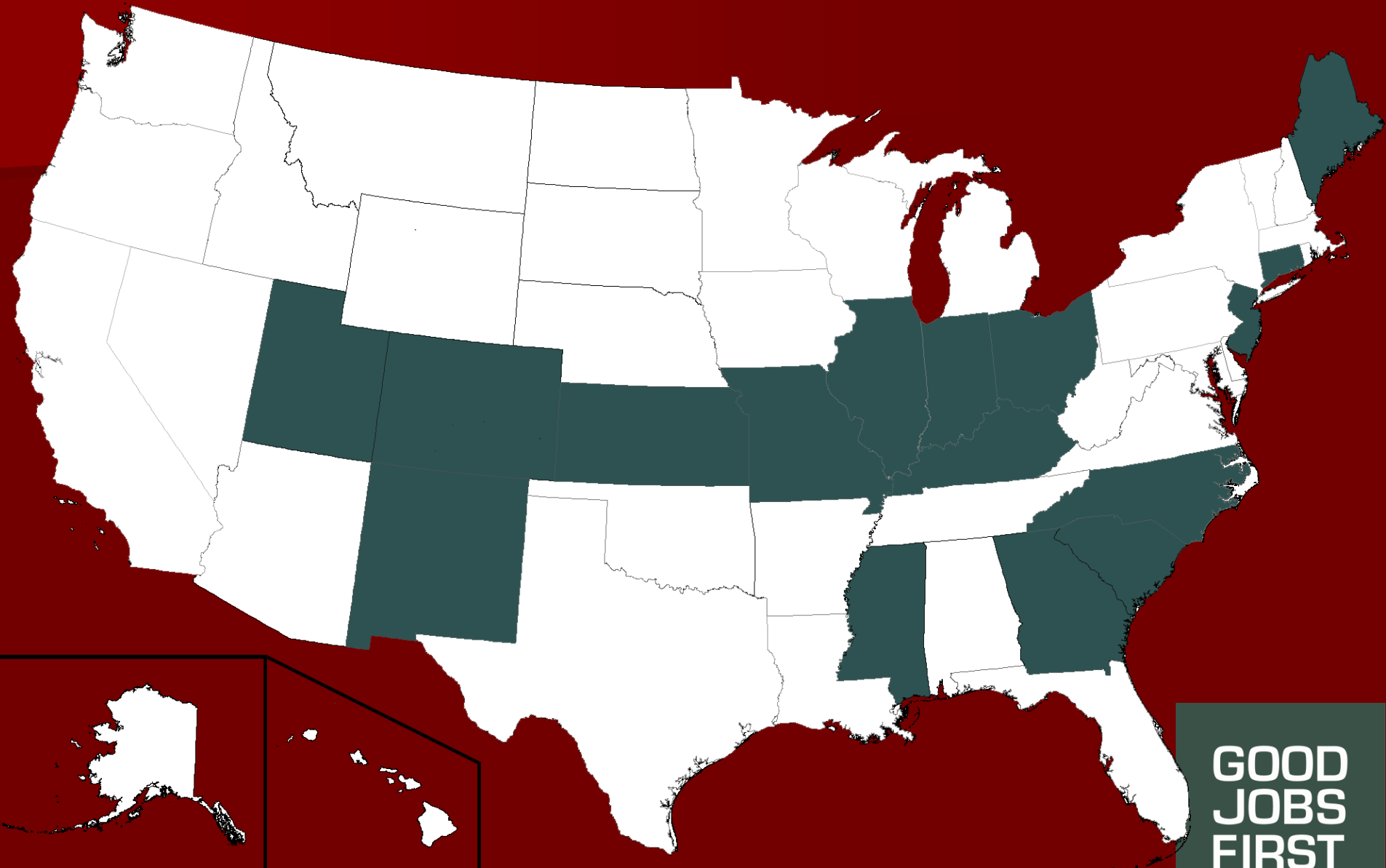
Benefiting  
Small  
Companies  
19%



Benefiting  
Large  
Companies  
68%



# Paying Taxes to the Boss



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# Goldman Sachs tower



**GOOD  
JOBS  
FIRST**

# \$1.2B and Counting



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# And Right Behind at \$1.1 Billion...



# amazon fulfillment



Welcome  
to  
ONT2  
amazon fulfillment  
Work Hs.  
Have Fun  
Make Histo

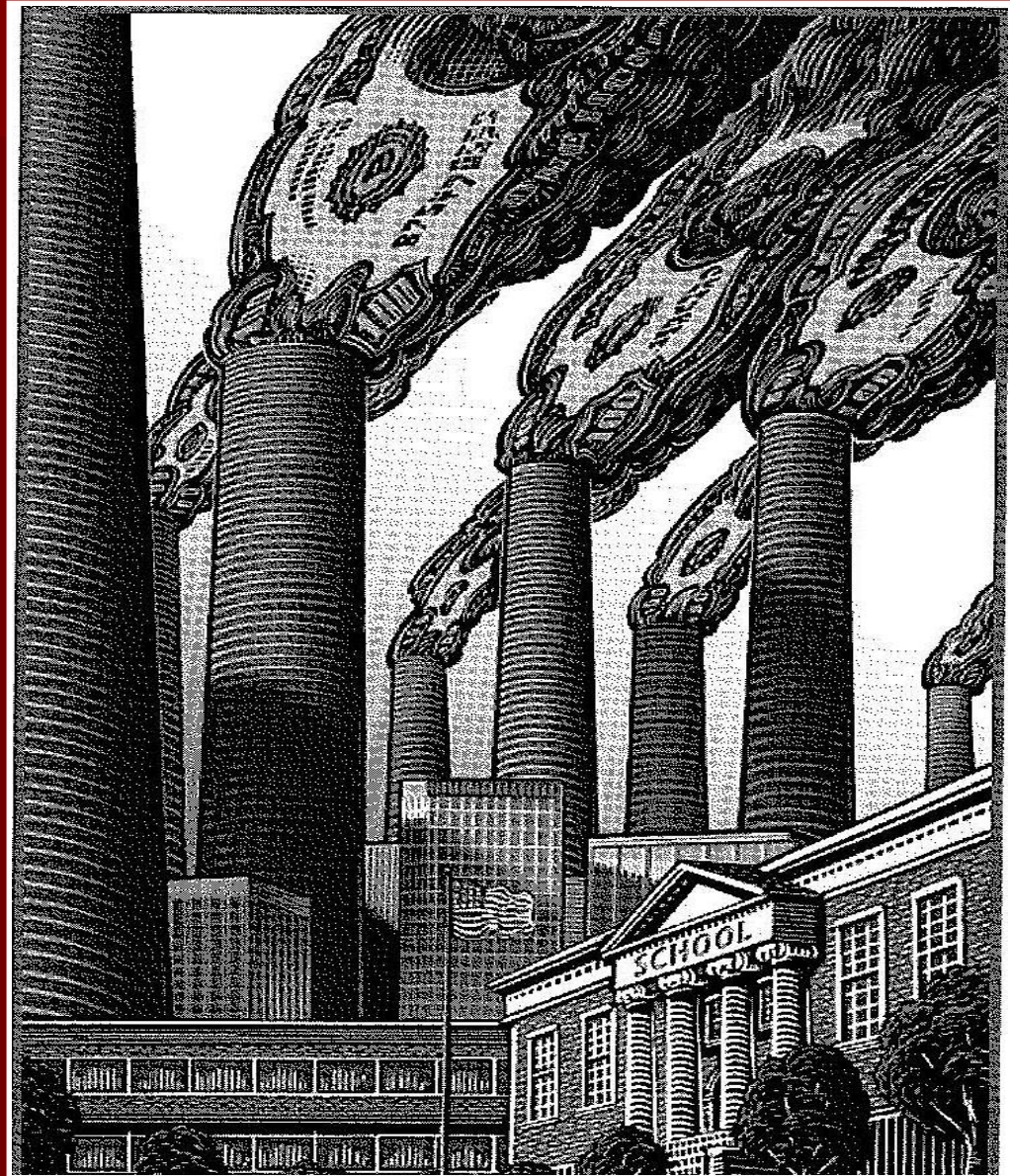
Welcome  
to  
ONT2  
amazon fulfillment

ASSOCIATE  
ENTRANCE

EMPLOYEE  
ENTRANCE  
↑

# Intergovernmental Free Lunch

School boards usually powerless against abatements, TIFs, EZs



# Data Centers: How Costly?

- 10 states with specific “cloud” tax breaks fail to disclose even aggregate cost!
- Alabama, Indiana, Iowa, Mississippi, Missouri, Nebraska, Oklahoma, South Carolina, Tennessee, & Virginia
- Fairfax County, Va.: 43 data centers, exempted

# Nissan Study Exposes Massive Hidden Costs



# Memphis Budget Erosion





**Duck Dynasty**  
**\$330,000**  
per episode



**FRACKING**  
**\$1.2 BILLION**  
IN FIVE YEARS



**\$7.5 million**  
per job

**GAS LIQUEFACTION PLANT**



**\$700,000** for 2 stores  
in New Orleans area's  
richest parish



**HOLLYWOOD SOUTH**

**\$251 Million**  
last year



*Giving away*

# LOUISIANA

How our  
taxpayers  
subsidize the  
rich and famous





BATON ROUGE

NEW ORLEANS

ACADIANA



NEWS

SPORTS

ENTERTAINMENT

EATPLAYLIVE

OPINION

WEEKLIES

VIDEO

BLOGS

# One big reason for Louisiana's massive budget gap? State paying more in tax credits than collecting

BY TYLER BRIDGES |

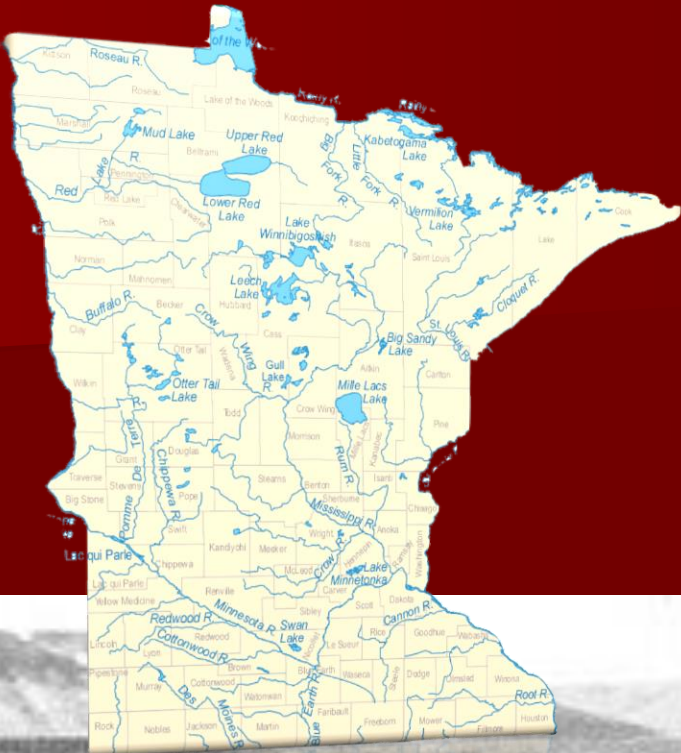
TBRIDGES@THEADAVOCATE.COM

*Feb. 18, 2016; 7:45*

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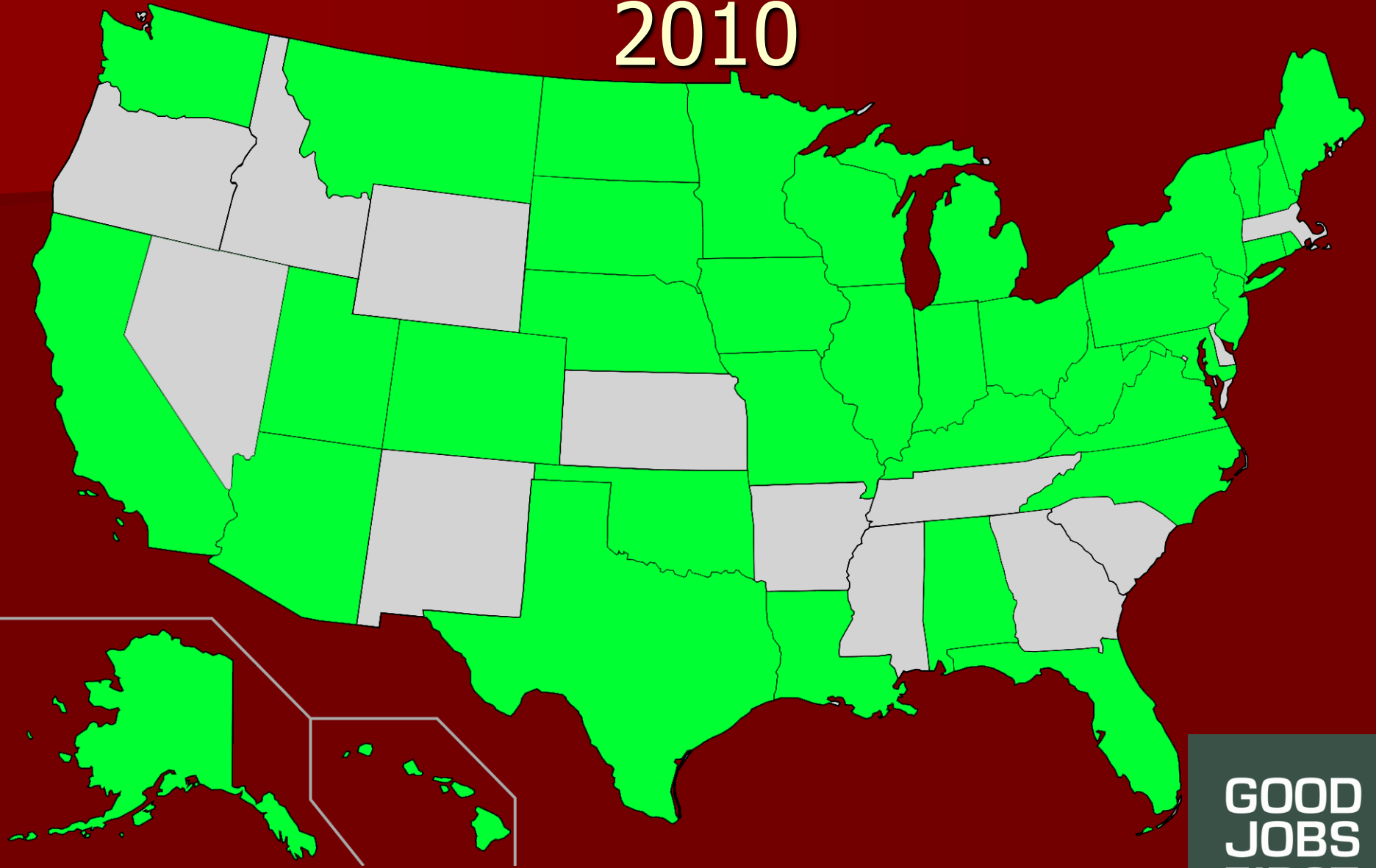
# 1995 Disclosure Beachhead



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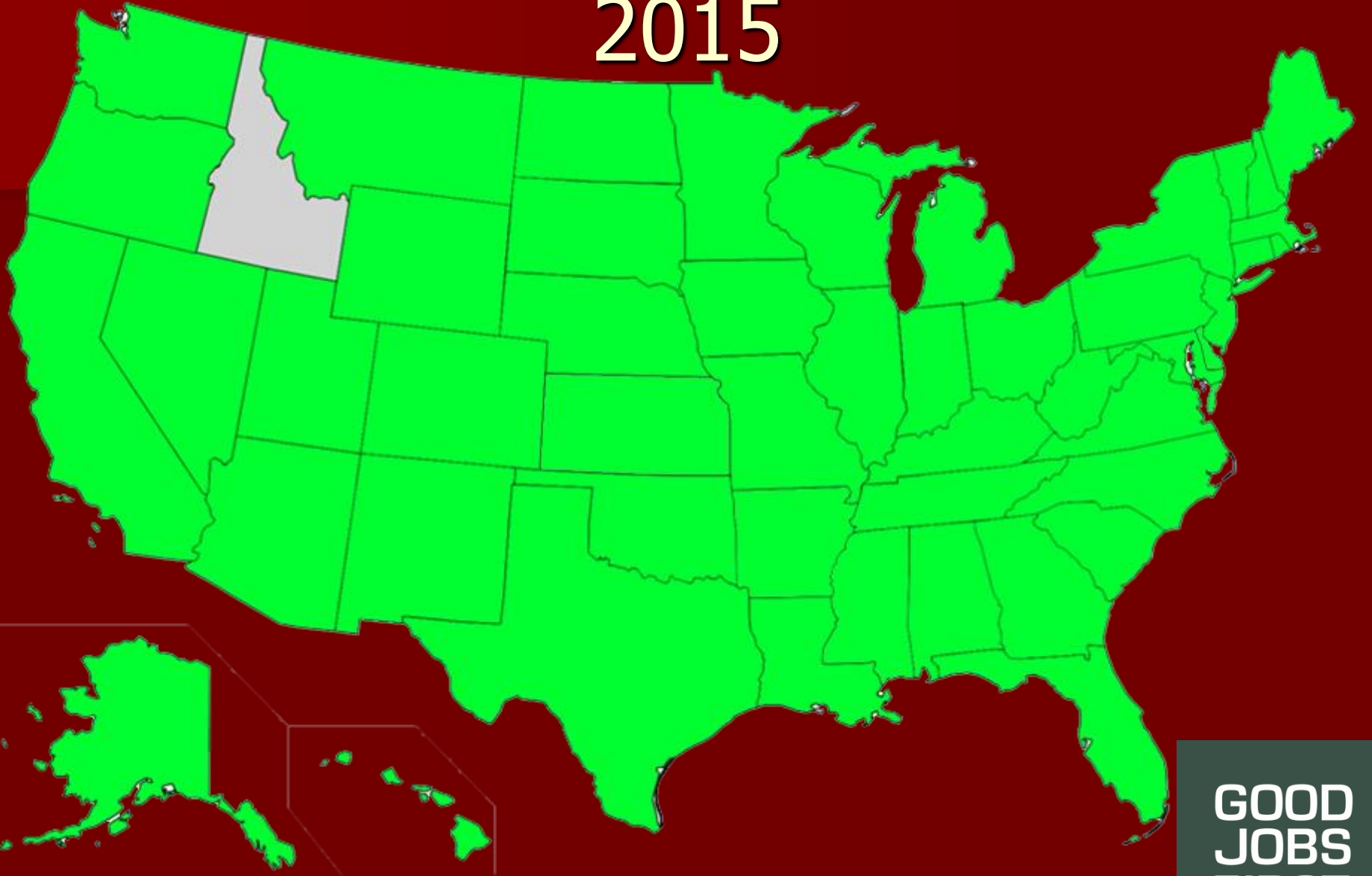


# 2010



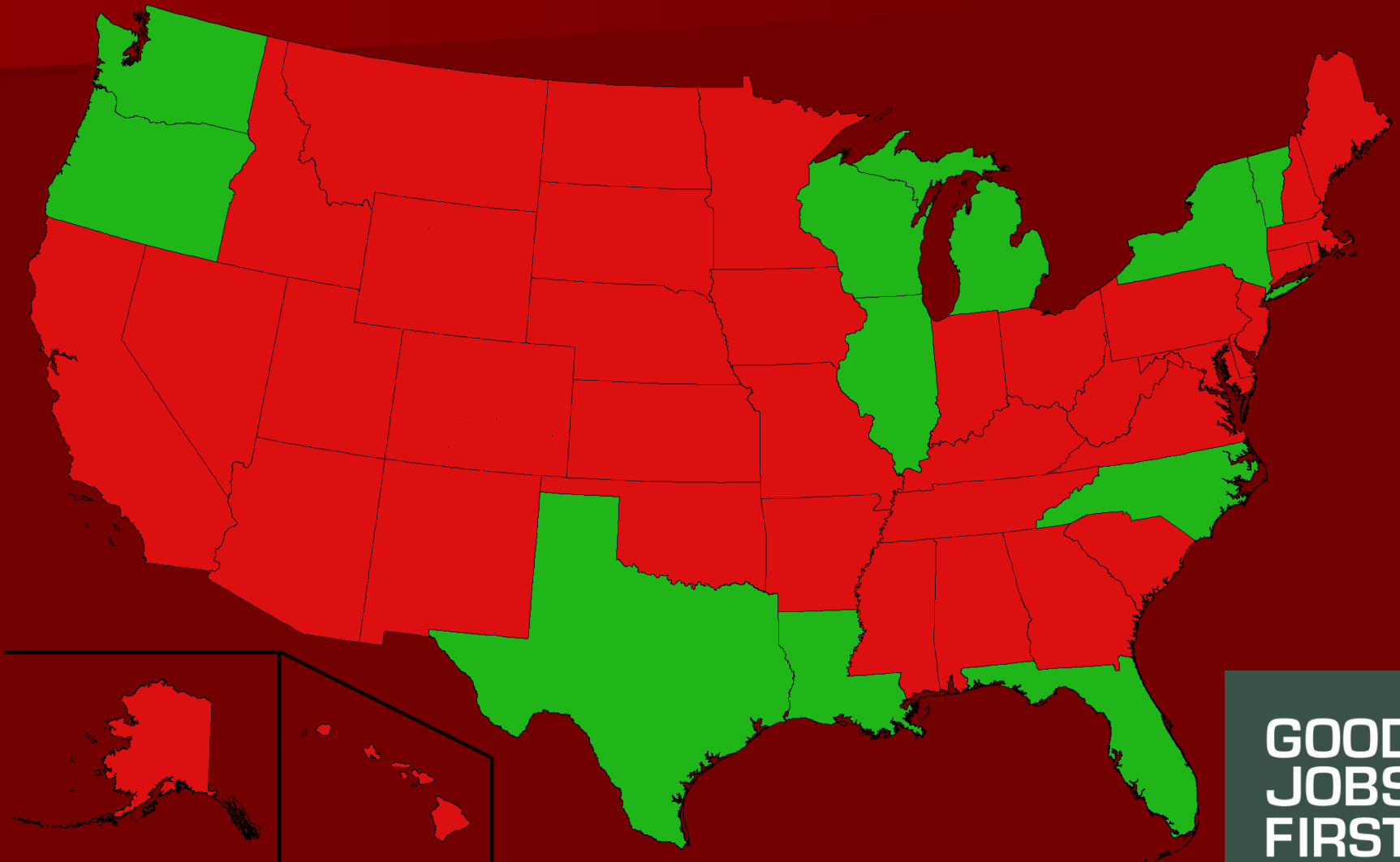
**GOOD  
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FIRST**

2015



**GOOD  
JOBS  
FIRST**

# But... *Outcomes* Often Missing!



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# Nebraska: Needlessly Secretive

- Ranks 37/51 among the states
- Score = 11 out of 100
- Fails to disclose company-specific tax credit information on LB 775
- Fails to even name recipients, much less tax credits with Advantage Job Training, R & D Act, Quality Jobs



# Subsidy Tracker



Company-specific and searchable  
50 states + DC + localities  
+ federal deals

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# LB 775 Shhh!!!

Greg LeRoy - Outlook Web x Subsidy Tracker 3.0 Search Res x (4) Twitter x Show Us the Subsidized Jo x Microsoft Word - Appendix pg x showusthesubsidizedjobs\_prre x +

subsidytracker.goodjobsfirst.org/prog.php?parent=&statesum=&fedsum=&major\_industry\_sum=&hq\_id\_sum=&company\_op 133% Search

<a href="#">Archer Daniels Midland Company</a>	<a href="#">Archer Daniels Midland</a>	Nebraska	state	1991	undisclosed	tax credit/rebate
<a href="#">Chief Industries, Inc.</a>		Nebraska	state	1991	undisclosed	tax credit/rebate
<a href="#">Drake Williams Steel, Inc.</a>		Nebraska	state	1991	undisclosed	tax credit/rebate
<a href="#">Linweld, Inc.</a>	<a href="#">Mitsubishi Group</a>	Nebraska	state	1991	undisclosed	tax credit/rebate
<a href="#">Mallory USA, Inc.</a>		Nebraska	state	1991	undisclosed	tax credit/rebate
<a href="#">Tenneco Automotive, Inc.</a>	<a href="#">Tenneco</a>	Nebraska	state	1991	undisclosed	tax credit/rebate
<a href="#">Union Pacific Corporation</a>	<a href="#">Union Pacific</a>	Nebraska	state	1991	undisclosed	tax credit/rebate
<a href="#">Design Plastics, Inc.</a>		Nebraska	state	1992	undisclosed	tax credit/rebate



August 2015:  
GASB Statement  
77 on Tax  
Abatement  
Disclosures

# GASB 101

(Governmental Accounting Standards Board)

- Birthed in 1984 by 10 public-official associations and AICPA
- Creates Generally Accepted Accounting Principles (GAAP) for state & local govts
- Force of law, force of credit ratings
- But... MIA on tax expenditures...

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# Tectonic News in 2014!

- First-ever Exposure Draft on economic development “tax abatements”
- Non-profit, tax & budget, academic, labor groups and public officials comment
- ~300 comments, 120 substantive, >2/3rds strongly pro-disclosure

# Statement 77

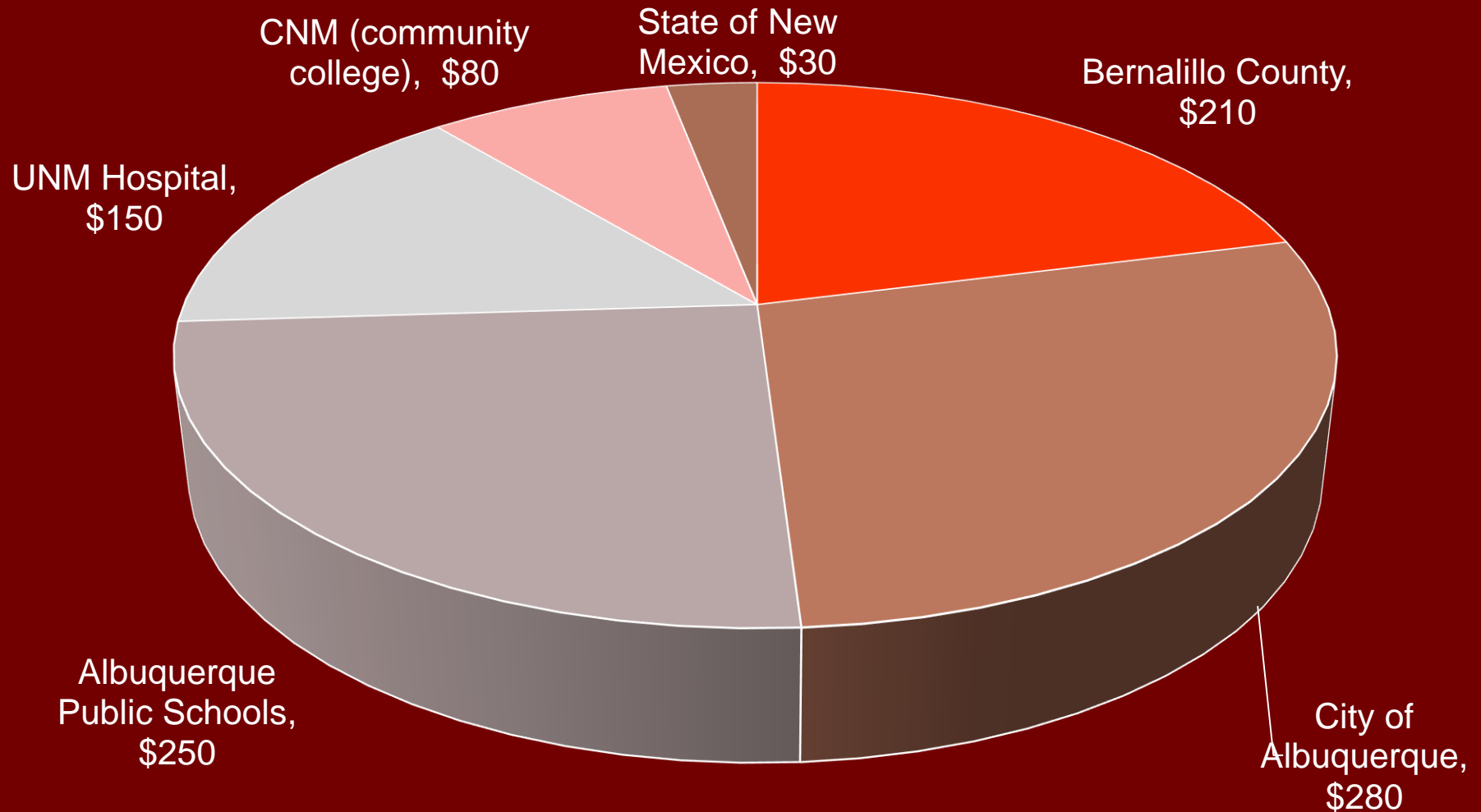
- Covers GAAP-compliant budgets for calendar 2016 and beyond
- ~50,000 state and local government bodies will newly report
- CAFR notes: how much revenue was lost to each tax abatement program

# Data Will be Crude

- For abating governments, one dollar figure per program per year
- For passive income losers (e.g., school districts), one dollar-loss figure per tax, per source
- Three big data-quality gaps (# of deals, recipients, future years)

# Intergovernmental Harms Disclosed

Hypothetical \$1,000 tax abatement by Bernalillo County





# 51 State “Roadmaps” Available

- Who collects CAFRs?
- Are CAFRs posted online?
- Are CAFRs stress-tested?
- Who else commented pro or con?
- When do first big cities, counties, school districts report?

# Nebraska Details

- No cities, counties or school districts legally required to use GAAP, but...
- State Auditor collects financial reports and posts them online
- Omaha loses \$7.7M to 775, \$5.2M to TIF

# Subsidy Tracker 2

- Coming 9/27/17 -- for GASB 77 data
- Standardized template
- Go-to hub
- Now seeking partners!

# The Birth of A New Tax-Data Cottage Industry

- Activists
- Academics
- Journalists
- Public Agencies

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# My Big-Picture Advice:

- Tune out the “Economic War Among the States”
- Ignore demands for “megadeals”
- Terminate big-ticket programs
- Remember 2% and 98%

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# Contact

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# SPRINGFIELD BLADE ENQUIRER

K MD DC VA M2 V1 V2 V3 V4



Afternoon rain 44/36 • Tomorrow: Mostly sunny 54/37 • DETAILS, B6

January 23rd, 2017

• 81

## STUDY: Poorest Schools Lose Most to Corporate Tax Breaks



"It's the biggest effort yet to make government tax

Efforts to track such data in the past have been initiated by third-party organizations like Good Jobs First or by media outlets. In 2012, The New York Times reported...

"Schools are obviously the biggest losers when councils grant property tax abatements and tax increment financing agree-

# Tri-State Free Beacon

K MD DC VA M2 V1 V2 V3 V4

• 81

January 23rd, 2017



Afternoon rain 44/36 • Tomorrow: Mostly sunny 54/37 • DETAILS, B6

Historic law is approved

BY JOHN WAGNER, PAUL SCHWARTZMAN AND NED MARTEL

Voters in Maryland have upheld the state's same-sex marriage law, a historic victory for national gay-rights movement that highlights the continuing evolution of the definition of marriage.

## Total Price for Tax Breaks: \$382,239,205



In 2012, The New York Times reported...

"But in many cases, little is known publicly about their total value in their terms and conditions."

"We had no idea... But seeing

# ODESSA NIGHT LIGHT

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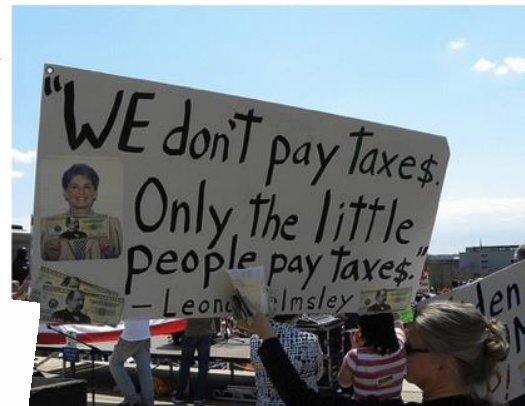
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## Huge Giveaways Revealed, Small Biz Leaders Protest

**“It’s a battle of David vs. Goliath ... We don’t have their armies of tax consultants and lawyers and lobbyists. The**

In 2012, The New York Times reported that state, county and city incentives total some \$80.4 billion every year. Texas led the nation in incentives, according to the Times, offering around \$19 billion annually. Tax abatements can significantly reduce the amount of revenue a government receives,” said GASB Chair David A. Vaudt in a statement. “But in many cases, little is known publicly about their total size or their terms and conditions. What the Board has proposed

“But in many cases, little is known publicly about their total size or their terms and conditions. What the Board has proposed would make the financial impact of these transactions much more transparent.” Efforts to track such data in the past have been initiated by third-party organizations like Good Jobs First or by media outlets. In 2012, The New York Times reported that state, county and city incentives total some \$80.4 billion every year. Texas led the nation in incentives, according to the Times, offering around \$19 billion annually. Tax



**It’s time to do away with these pork-barrel favors for big business.”**

Corporate tax incentives have become an increasingly popular way for state and local governments to try to attract new businesses. Now those subsidies could begin affecting governments’ budgetary bottom lines, under an accounting change being considered that would require reporting those incentives as lost income in annual financial reports.

On Friday, the Governmental Accounting Standards Board (GASB) issued rules for requiring state and local governments for the first time to disclose information about property and other tax abatement agreements. If approved, the new disclosures could shed light on a previously murky area of government finance and provide hard data on information that has often been assembled piecemeal, if at all. Stakeholders have until Jan. 30, 2015 to comment. “This is huge,”

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Many state and local governments currently have tax abatement programs in place, and the impact of those abatements can be substantial. But there’s no way to know the magnitude or the nature of those programs just by looking at government financial statements. “Tax abatements can significantly reduce the amount of revenue a government receives,” said GASB Chair David A. Vaudt in a statement. “But in many cases, little is known publicly about their total size or their terms and conditions. What the Board has proposed

“Schools are obviously the biggest losers when councils grant property tax abatements and tax increment financing agreements,” LeRoy said. “Typically about half of that money would have gone to school districts.” Also of note is the provision requiring governments to report the criteria that businesses must meet for the abatement and how governments will get that money back if the goals aren’t achieved, commonly referred to as claw-back provisions.

That requirement “puts this on the forefront of disclosures,” said Justin Marlove, a Governing contributor and a public finance professor at the University of Washington’s Evans School. “The fact that they’re going to make entities disclose whether they’ve ever done a clawback is really big and will reveal something about that jurisdiction from a policy standpoint that might not otherwise be apparent.”

**THE TAKE**  
The chairman of the magnitude is president Obama’s 1984. The history of the 2009. The 2010. The 2011. The 2012. The 2013. The 2014. The 2015. The 2016. The 2017. The 2018. The 2019. The 2020. The 2021. The 2022. The 2023. The 2024. The 2025. The 2026. The 2027. The 2028. The 2029. The 2030. The 2031. The 2032. The 2033. The 2034. The 2035. The 2036. The 2037. The 2038. The 2039. The 2040. The 2041. The 2042. The 2043. The 2044. The 2045. The 2046. The 2047. The 2048. The 2049. The 2050. The 2051. The 2052. The 2053. The 2054. The 2055. The 2056. The 2057. The 2058. The 2059. The 2060. The 2061. The 2062. The 2063. The 2064. The 2065. The 2066. The 2067. The 2068. The 2069. The 2070. The 2071. The 2072. The 2073. The 2074. The 2075. The 2076. The 2077. The 2078. The 2079. The 2080. The 2081. The 2082. The 2083. The 2084. The 2085. The 2086. The 2087. The 2088. The 2089. The 2090. The 2091. The 2092. The 2093. The 2094. The 2095. The 2096. The 2097. The 2098. The 2099. The 2100.



**“We can no longer talk about corporate tax breaks with a straightface. It’s obvious that it’s draining our**

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### Reverse Robin-Hood: Social Costs of Corp. Welfare Revealed

**FROM THE EDITORIAL BOARD**

Corporate tax incentives have become an increasingly popular way for state and local governments to try to attract new businesses. Now those subsidies could begin affecting governments’ budgetary bottom lines, under an accounting change being considered that would require reporting those incentives as lost income in annual financial reports.

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Clear thinking for  
a stronger Nebraska

# Business Taxes in Nebraska

Adam Thimmesch, assistant professor at the University of Nebraska College of Law

Kim Conroy, former Nebraska Tax Commissioner

Randy Thelen, senior vice president for economic development at the Greater Omaha Chamber of Commerce

Bob Zahradnik, principal officer for State Policy and State Fiscal Policy and Economic Growth at The Pew Charitable Trusts

Moderator: Sen. Paul Schumacher



Clear thinking for  
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# Previous Tax Reform Efforts

Larry Scherer, director of research with the Nebraska State Education Association

Sen. Bob Wickersham, Nebraska lawmaker from 1991 to 2002, chair of the Revenue Committee

Bruce Johnson, professor emeritus of agricultural economics at the University of Nebraska-Lincoln

John Hansen, president of the Nebraska Farmers Union

Moderator: Sen. Tom Briese, member of the Government, Military & Veterans Affairs Committee and the Transportation & Telecommunications Committee

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