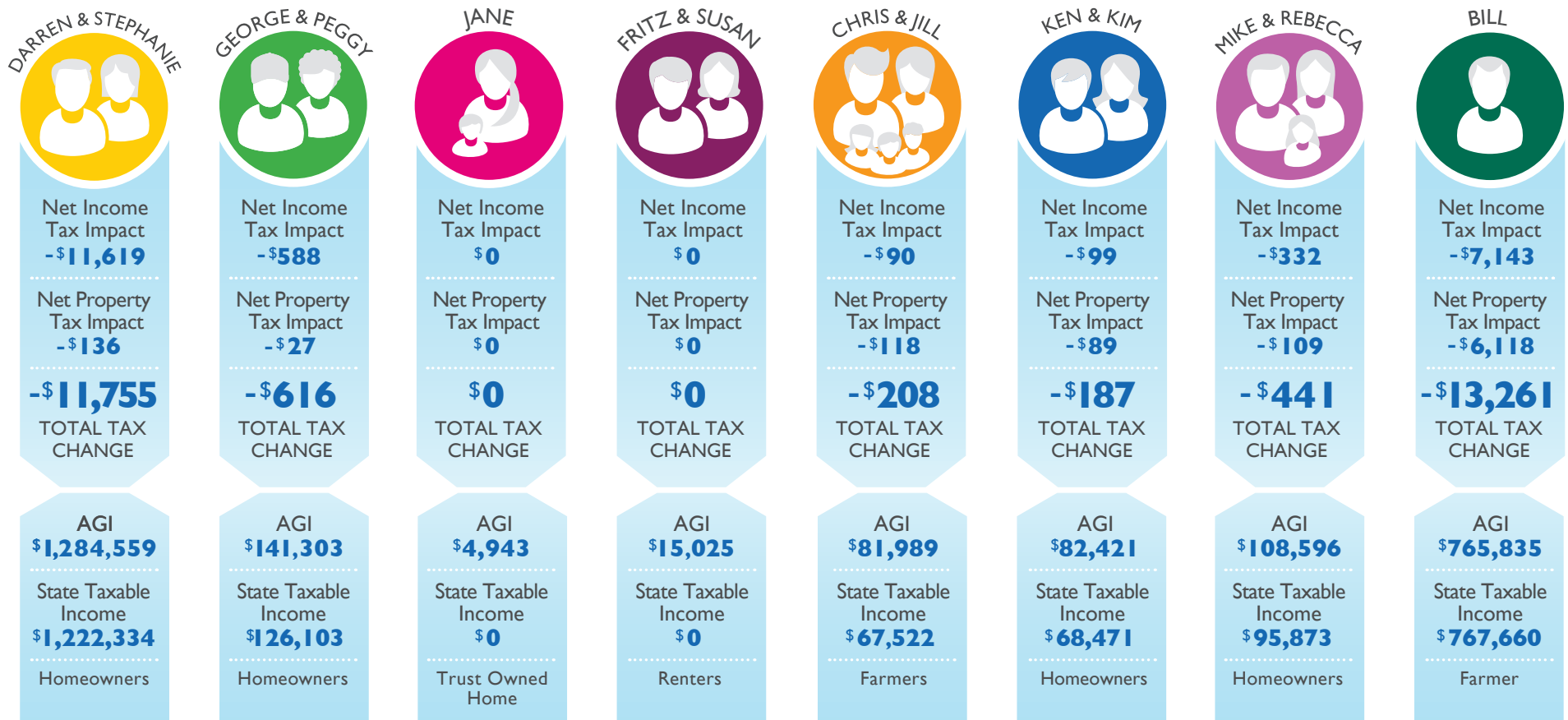


How LB 615 would affect our Real Taxpayers of Nebraska

Below is a chart to show how the tax changes proposed in LB 615 would affect our Real Taxpayers of Nebraska. LB 615 cuts the top personal and corporate income tax rates, which are presently 6.84 percent and 7.81 percent respectively, to 5.99 percent using a series of triggered tax cuts. The tax cuts would be “triggered” when state revenues are projected to grow at least 3.5 percent and the cash reserve balance is at least \$500 million. A \$75 million transfer from the cash reserve to the Property Tax Credit fund also would be triggered when these conditions are met. LB 615 does not fund its tax changes with offsetting revenues.



This analysis assumes full implementation of LB 615's income tax cuts and a \$75 million transfer from the cash reserve to the Property Tax Credit program.

For property tax calculations, average countywide tax rates were used. All taxpayer property was assumed to be residential except for Bill's property and Chris and Jill's property. These properties were assumed to be entirely agricultural land.

AGI stands for “Adjusted Gross Income,” which is income before credits and deductions are applied. State Taxable Income is income after deductions are applied.

Learn more about our “Real Taxpayers of Nebraska” at www.openskypolicy.org/the-real-taxpayers-of-nebraska