



NE Chamber Position

NE Chamber members recognize they are one major part of the statewide conversation and balancing act that is tax modernization.

Legislative leaders can promote open dialogue, weigh state needs and prioritize growth. We will be a good partner in this process.

Economic conditions and a shrinking workforce have added urgency to the state's growing need for a competitive and growth-oriented tax code.

Thanks to the work of the 2022 and 2023 Legislatures, Nebraska is well on its way to having smart, competitive tax policy. **It is essential that any efforts to further modernize our tax structure adhere to reasonable guard rails that keep our state competitive.**

NE CHAMBER COMMITMENT

We recognize our work must transcend politics and geography to accelerate our state. Progress is not possible without the tough act of building consensus, which requires mutual respect and a genuine search for common ground.

We recognize the importance of compromise and flexibility while adhering to some important tax policy guard rails to guide our discussion and keep Nebraska's economy growing.

NE CHAMBER GOALS & GUARD RAILS

GOALS

Achieve comprehensive tax reform to keep Nebraska competitive.

Support measures to achieve real property tax relief.

Legislation should seek to help attract and retain 18-to-34-year-olds, innovation, research and development, and entrepreneurs.

Legislation should be balanced and targeted at economic growth throughout the entire state and all of our important business and industry segments.

A modernized tax code should enhance the state's ability to attract workforce and capital to our economy.

GUARD RAILS

Any legislation should seek to retain income tax rates at competitive levels.

Corporate income tax rates should not exceed individual income tax rates.

Property tax laws should guard against excessive growth of property tax burdens merely because of property tax valuation growth.

Income earned outside of Nebraska should not be taxed in Nebraska.

The sales tax system should not tax the same transactions twice, preserving exemptions for true business "inputs" and trade-in values of used equipment.

The state should retain specific sales tax exemptions common in neighboring or competitive peer states to avoid dislocation of current businesses or consumer transactions.

The percentage mix of sales, income and property tax burdens on Nebraskans should be competitive with peer states.

Recent property tax relief commitments should be retained, and policies should ensure that relief is actually delivered to Nebraskans.

Shifting the tax burden from one base to another should not be pursued in place of comprehensive tax reform reducing Nebraska tax burdens.

The NE Chamber is supportive of several bills in the 2024 session that ensure property tax relief is delivered to Nebraskans:

LB1414: places a cap on local spending (while allowing for flexibility in areas experiencing rapid growth)

LB1415: frontloads property tax relief so Nebraskans see their property tax bill go down

LB1241: implements levy decreases at the rate of valuation increases

Accelerate Our State

The previous **game-changing investments** in community, workforce and infrastructure cleared the way for a **new era of growth and prosperity** in Nebraska – an era of new families, growing communities, enhanced quality of life, and global market leadership.

We must continue to keep our foot on the gas pedal in 2024. We can't lose our lead in economic recovery and global competitiveness.

We can't let up. We won't. **We must accelerate our state.**