



**Death and Taxes:**  
Nebraska's Inheritance Tax

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## About the Author

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## Executive Summary

Nebraska has been seeking ways to modernize its tax code for several years, and unfortunately, the inheritance tax has often been left out of the analysis. The inheritance tax is a worthy subject for tax modernization and reform because only six states continue to have this tax: Iowa, Kentucky, Maryland, Nebraska, New Jersey, and Pennsylvania. Appearing on this small roster has earned Nebraska a regular mention on *Forbes'* list<sup>1</sup> of “where not to die.”

Almost every state in the nation once levied an inheritance tax at some point in their history. Nebraska's inheritance tax was adopted in 1901, before the state had a sales or income tax, and has remained relatively the same for the last 120 years. The unique feature about Nebraska's inheritance tax is that it was and still is the only state in the nation to use this tax as a local revenue source. The inheritance tax, which is levied on the beneficiary of an estate and not on the estate itself, has been shown to have a particularly negative impact on family farms and businesses in Nebraska. Economic studies have found the tax to be hostile to economic growth because of the destructive impact on capital formation and investment, as well as having high compliance costs.<sup>2</sup> Importantly, while most states do not make the transfer of property after death a taxable event for property of any value, Nebraska can impose inheritance taxes and compliance costs even on taxpayers receiving relatively modest inheritances.

On a statewide basis, inheritance tax collections in Nebraska have ranged from a \$18.9 to \$73.3 million since 1993 (\$33.7 to \$74.5 million if adjusted for inflation into 2020 dollars). From a county perspective, Douglas County, the state's most populated, had the highest amount ever collected from the tax at \$16.2 million in fiscal year 2018. On the opposite end of the spectrum, the state's least populated, Arthur County, holds the record for the least collected in a single year, with fiscal year 2019 producing \$0, and the year before only generating \$74.

This policy study's objective is to give a historical perspective of Nebraska's inheritance tax as well as a discussion of the economic implications of the tax. In addition, this report will include descriptive statistics on the collections of Nebraska's inheritance tax over a period of years at both the statewide and county level.

The latter section of the study will include a list of recommended policy changes. While the ideal reform option is the eventual repeal the inheritance tax, the problem of cutting revenue to the counties without a property tax increase poses many public policy considerations that must be addressed. Forward-thinking lawmakers have introduced bills for over 40 years trying to repeal the inheritance tax, but none have been successful. Because of this situation, the reform options in this paper are aimed to make the tax less burdensome and to modernize Nebraska's tax code.

# Introduction

The term “death tax” has been used to describe a variety of different taxes related to the transition of property at the time of someone’s death. However, this term can be misleading, since it can encompass a wide variety of taxes and fees assessed at the time of death. In addition, a tax imposed on the property of the deceased can be called by many different names. The inheritance tax is also sometimes called a succession or legacy tax and is commonly confused with the estate tax.

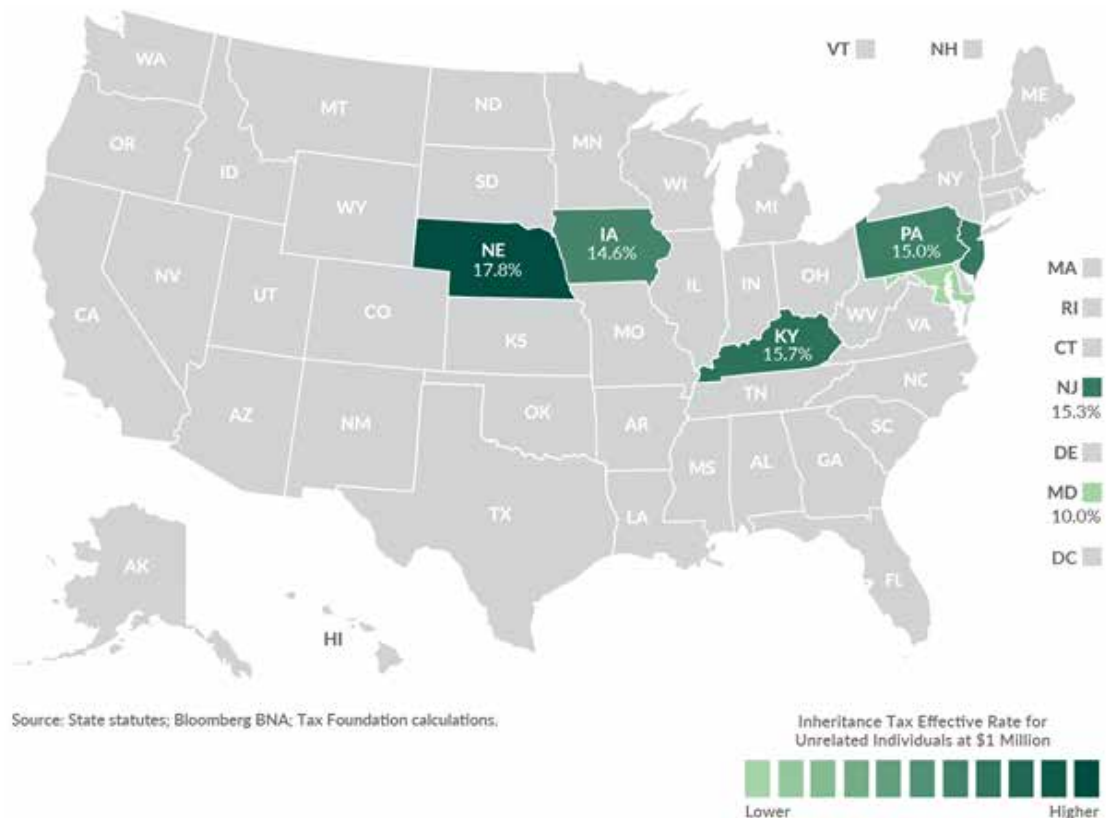
At some point in their lifetime, almost every Nebraskan will become subject to the inheritance tax, unless they and their family decide to sell their real property in Nebraska and move to another state before their death. Unlike the federal estate tax, which exempts most taxpayers, Nebraska’s inheritance tax can have an impact on anyone who owns or inherits property. However, whether the inheritance tax is paid, avoided, or unpaid due to a lack of knowledge about the tax can vary based on the individual circumstances of taxpayers.

## The Difference Between the Estate Tax and the Inheritance Tax

While estate and inheritance taxes are the most frequently grouped together, they function very differently in practice and under the law. An estate tax is imposed upon the privilege of *transmitting* property, while an inheritance tax is imposed on the privilege of *receiving* property.<sup>3</sup>

The biggest difference is that estate taxes are measured and levied on the net value of a decedent’s estate, thus the estate pays the tax before any distribution to heirs. Inheritance taxes are determined by the beneficiary’s share of the estate and the tax is paid for by the beneficiary. One other noticeable difference is that estate taxes are typically graduated according to the size of the net estate, where inheritance taxes are graduated by both the beneficiary’s share and according to their relationship to the decedent.

**FIGURE 1: State Inheritance Tax Effective Rates for Unrelated Individuals on a \$1 Million Bequest (2017)**





Many states have chosen to repeal their inheritance taxes, especially after the 2001 federal tax changes phased out the federal estate tax credit for state death taxes.<sup>4</sup> This was one reason for Nebraska repealing its estate tax in 2007.<sup>5</sup>

## Current National Landscape of the Inheritance Tax

Of the six states that currently impose inheritance taxes, only two states, Nebraska and Pennsylvania, have chosen to tax lineal heirs (children and grandchildren), while the others exempt these relatives. Nebraska currently has the nation's top inheritance tax rate, 18%, on remote relatives and non-related heirs.<sup>6</sup>

## Inheritance Tax History

The United States has a long history of using the inheritance tax to fund government operations. Primarily, the inheritance tax was used to fund wartime efforts and was levied nationwide from 1797-1802, 1862-1870, and 1898-1902.<sup>7</sup>

There were efforts to create a nationwide inheritance tax to permanently fund government operations by progressives during the early 20<sup>th</sup> century. Notably, President Theodore Roosevelt advocated for both an inheritance and income tax, while Nebraska's George Norris advocated for a 75% inheritance tax as an alternative to a federal income tax.<sup>8</sup>

In the end, Congress enacted a federal income tax in 1913, followed by an estate tax in 1916, which effectively ended any further discussion of a national inheritance

tax. While the federal history on inheritance taxes is somewhat brief, the state inheritance tax history is more extensive and continues into modern times.

Pennsylvania was the first state to levy an inheritance tax in 1826 and served as a model for much of the subsequent legislation on this topic. While a few states enacted the tax during the mid-19<sup>th</sup> century, many states did not embark on levying an inheritance tax until the 1890s. The progressive movement experienced at the federal level was also a very strong influence in the states. As a result, Illinois adopted the nation's first progressive inheritance tax on collateral heirs in 1895, creating higher tax rates for heirs, dependent on their relationship.<sup>9</sup>

The validity of the progressive structure being based on the relationship to the decedent was immediately questioned before the United States Supreme Court in 1898. The court upheld the Illinois inheritance tax law, declaring that the discrimination based upon the relationship to the decedent was considered a reasonable classification, and that the progressive rates were not in violation of the equal protection clause of the Fourteenth Amendment.<sup>10</sup> Another important takeaway from this case is that inheritance taxes are not legally defined as a property tax by the court, but a succession tax. Modern economists may disagree with this classification, but the court found that the tax is on the privilege to inherit wealth, and as a result, the states have authority to impose conditions upon the transaction.

The decision by the U.S. Supreme Court was a catalyst for states to immediately amend their inheritance tax laws into progressive structures, and many states that had not yet levied the tax added it to their tax rolls. Until this

TABLE 1: Inheritance Tax Rates by State (Ranked by Bracket)

Child	Rate	Nephew/Niece	Rate	Non-Relative	Rate
1. Pennsylvania	4.5%	1. Iowa	15%	<b>1. Nebraska</b>	<b>18%</b>
<b>2. Nebraska</b>	<b>1%</b>	2. Kentucky	14%	2. Kentucky	16%
Iowa	None	<b>3. Nebraska</b>	<b>13%</b>	2. New Jersey	16%
Kentucky	None	4. Pennsylvania	12%	3. Iowa	15%
Maryland	None	5. New Jersey	11%	3. Pennsylvania	15%
New Jersey	None	6. Maryland	10%	4. Maryland	10%

time, almost every state that levied an inheritance tax had been subject to a considerable amount of lawsuits and constitutional challenges in their respective state supreme courts, forcing states to rewrite their tax laws multiple times.<sup>11</sup>

A 1941 Iowa Law Review article<sup>12</sup> summarized the post-decision environment,

*By 1916, 42 states, Hawaii, and Puerto Rico had enacted death duties of one sort or another. The taxes in use at that time ranged*

**TABLE 2: Inheritance Tax Laws in the United States**

State	Created	Abolished	State	Created	Abolished
Alabama	1848	1868	Montana	1897	2000
Arizona	1912	1937	Nebraska	1901	Remains
Arkansas	1901	1941	Nevada	1913	1925
California	1893	2004	New Hampshire	1878	2003
Colorado	1901	1980	New Jersey	1892	Remains
Connecticut	1889	2005	New Mexico	1919	1973
Delaware	1869	1999	New York*	1885	1930
Florida	Never Enacted		North Carolina	1847	1999
Georgia	1913	**	North Dakota	1903	1927
Hawaii	1892	2012	Ohio	1893	2010
Idaho	1907	2002	Oklahoma	1907	1965
Illinois	1887	1983	Oregon*	1903	1987
Indiana	1913	2013	Pennsylvania	1826	Remains
Iowa	1896	Remains	Rhode Island	1916	**
Kansas~	1909	1998	South Carolina	1922	**
Kentucky	1906	Remains	South Dakota	1905	2001
Louisiana <sup>o</sup>	1828	2008	Tennessee	1891	2016
Maine	1893	2003	Texas*	1907	2005
Maryland	1845	Remains	Utah	1901	2005
Massachusetts	1891	2002	Vermont	1896	1969
Michigan	1893	1998	Virginia	1844	1980
Minnesota	1875	2000	Washington	1901	1982
Mississippi	1918	1956	West Virginia	1887	1985
Missouri	1895	1980	Wisconsin	1868	1987
			Wyoming	1903	1983

<sup>o</sup> Originally only levied on foreign heirs, repealed in 1877 and reinstated in 1894, declared unconstitutional in 1897 and new law approved in 1904 under a new constitution; Repealed in 2008 but went into effect on Jan. 1, 2012.

\* Law was effectively repealed at date listed. Formal repeal of the law from statute did not occur until 2004 in NY, 2015 in TX, and 2012 in OR.

~ Repealed in 1913 and reinstated in 1915.

\*\* The tax has been repealed in these states but attempts to find the date of repeal were unsuccessful. *Alaska was not a state during most of the inheritance tax history and never levied the tax.*

*from the old-fashioned flat rate on collaterals to the combination inheritance and estate tax... but the majority of the states were now using the progressive inheritance tax on both direct and collateral heirs, a form which was rapidly becoming the typical American death duty.”*

In 1924, state inheritance taxes accounted for 8.2% of total state tax revenue<sup>13</sup> and by 1925, only four jurisdictions remained without an inheritance tax: District of Columbia, Florida, Alabama, and Nevada.<sup>14</sup> This also marks the climax of controversy between the states and the federal government, as estates were facing multiple layers of taxation.

The compromise solution<sup>15</sup> was the adoption of a credit for state death taxes against the federal estate tax, up to a total of 25% of the federal estate tax liability.<sup>16</sup> The credit was partly intended to reduce states from competing for affluent residents with the lure of no state inheritance or estate tax.<sup>17</sup> The result was that many states enacted “pick-up” taxes equal to the amount of the credit to take full advantage.<sup>18</sup> Essentially, the states saw it as free money because the federal tax credit did not increase their citizens’ tax liability. By 1940, there were 33 states using a combination of the estate and inheritance taxes.<sup>19</sup> All states at the time, except Nevada, had some form of a death duty (estate or inheritance).

During the mid- and late 20<sup>th</sup> century, many states decided to forego the inheritance tax completely, replacing it with an estate tax. Other states decided to have a combination estate and inheritance tax, structuring the taxes to capture all the revenue up to the threshold of the federal credit or “pick-up tax.”

States were eventually faced with an ultimatum when Congress repealed the credit for state death taxes in 2001. The phase out of the federal revenue sharing lasted until 2004, which gave states time to decide what to do. After the complete implementation of repeal, the full burden of the taxes would fall on their citizens. As a result, most of the remaining states eliminated their inheritance taxes, along with their estate taxes, to conform with the federal tax change.<sup>20</sup> While Nebraska did eliminate its estate tax,

which was levied by the state, the inheritance tax, which is collected by county governments, remains in place.

## Nebraska’s Inheritance Tax History

When Nebraska first enacted its inheritance tax law in 1901, lawmakers used the Illinois progressive tax as a model in most respects. However, Nebraska’s original inheritance tax did not include a substantial exemption for inheritances from immediate relatives. A unique feature of Nebraska’s tax was the state’s instruction for county treasurers to keep all the money collected through the tax in a separate and special fund to be spent only on the “permanent improvement of the county roads.”<sup>21</sup> Nebraska was and continues to be the only state to use this tax as a local government revenue source.

When originally enacted<sup>22</sup>, the inheritance tax was \$1 for every \$100 of the market value of the property received by any immediate family member, with an exemption for the first \$10,000 received by each person. The next class of family included any uncle, aunt, niece, or nephew, and the tax rate was \$2 for every \$100 of the market value of the property received, with an exemption of only \$2,000. However, if an estate was valued at less than \$500, then it was not subject to any tax regardless of relation to the decedent.

As a reference point, \$500 in 1901 is equivalent in purchasing power to about \$15,317 in 2020 according to the Bureau of Labor Statistics consumer price index. The \$10,000 exemption is equivalent to \$306,152.<sup>23</sup>

The first major amendments to Nebraska’s inheritance tax occurred eighty years after its creation in the 87th Nebraska Legislature. Senators expressed concerns about the inheritance tax’s structure and how it contradicted aspects of the federal estate tax law. Transcripts from multiple legislative sessions and committee hearings show examples of past officials whom either believed the tax needed to be repealed due to its archaic structure or needed to be amended to increase the tax’s efficiency.<sup>24</sup> The result was two major amendments that (1) exempted property transfers to surviving spouses and simplified the system of gift reporting, and (2) rectified problems of liens imposed upon spouses.<sup>25</sup>

The late former state Sen. Peter Hoagland, who later went on to serve as the U.S. Representative for Nebraska’s 2<sup>nd</sup> Congressional District, spoke on the inheritance tax on April 7, 1982, during floor debate on his LB480 from the 87<sup>th</sup> Legislature,

*“When Senator Beyer and I introduced this bill, we were concerned not only about the inheritance tax which was originally enacted in 1901 which is basically an antiquated tax with an antiquated collection system, and which has been superseded in many respects by all the subsequent forms of taxation that has since been developed at the state and federal level. In 1901, when the county inheritance tax was adopted, there was no state sales or income tax, there was no federal income tax. There really in the last 80 years, needless to say, have been enormous changes in the taxation system.”*<sup>26</sup>

In addition to these amendments, the floor debate within the 87th Legislature focused on how much money was being collected by counties from the tax.<sup>27</sup> The point of contention was that since the tax’s enactment in 1901, the counties had been given other means of raising revenue, and the amount from the inheritance tax was a small portion of the county’s overall revenue. The opposing view was that the revenue from the inheritance tax provided great improvement opportunities for the counties, and without this tax, the counties would have

to increase their real estate taxes. The ultimate decision on this matter resulted in removing the original descriptions of the ways the counties could spend the proceeds of the inheritance tax.

Another result of this legislation was a significant reduction in legal fees associated with the “inheritance tax determination” and the cost of administering the county inheritance tax. Though it resulted in some loss of revenue to the counties, the exact amount was unable to be calculated at the time.<sup>28</sup>

The next big push for changes to the inheritance tax came during the 100<sup>th</sup> Legislature in 2007. This happened to be the same year when Nebraska repealed its estate tax.<sup>29</sup> Legislative Bill 502 was intended to be revenue neutral. It sought to reduce the revenue collected from the inheritance tax paid by immediate family members and to increase the amount paid by more distant relatives or other non-related beneficiaries.<sup>30</sup> According to Nebraska Association of Counties (NACO) data from 10 counties cited at the hearing,

*“The Class I which is immediate family members in these test counties represented about 42% of the revenues received in inheritance tax. Class II which is remote relatives was about 48%. And Class III, those that are not related, was about 9%.”*<sup>31</sup>

**TABLE 3: Nebraska Inheritance Tax Laws Prior to 2007**

Relationship	Exemption	Tax Rate
Surviving spouse	100%	0%
Near relatives (children, parents, grandparents, siblings or their surviving spouses)	\$10,000	1% on excess of \$10,000
Distant relatives (all other relatives or their surviving spouses)	\$2,000	6% of \$2,000 - \$60,000 9% on excess of \$60,000
All other inheritances	\$500	6% of \$501-\$5,000 9% of \$5,001 - \$10,000 12% of \$10,001 - \$20,000 15% of \$20,001 - \$50,000 18% on excess of \$50,000



TABLE 4: Nebraska Inheritance Tax Laws 2007 to Present

Relationship	Exemption	Tax Rate
Surviving spouse	100%	0%
Near relatives	\$40,000	1% on excess of \$40,000
Distant relatives	\$15,000	13% on excess of \$15,000
All other inheritances	\$10,000	18% on excess of \$10,000

While there was substantial floor debate on the bill, it ultimately passed. The major takeaway was that nobody knew exactly what rate or exemption change would keep the tax revenue neutral because there is no formal reporting of the tax or how it is used by the counties.<sup>32</sup>

The last major attempt to change the state’s inheritance tax was in 2012. During Gov. Dave Heineman’s State of the State address, he proposed a complete repeal of Nebraska’s inheritance tax through a gradual phase out to give the counties time to adjust.<sup>33</sup> Echoing the same historical arguments, this idea was met with opposition from many county officials, who argued that without inheritance tax revenues for county operations, real estate taxes would be increased.<sup>34</sup>

As a result, two bills were filed in the 102<sup>nd</sup> Legislature to satisfy the governor’s request. LB970 was a total repeal of the inheritance tax, and LB1102, which would increase the exemptions and lower the rates over time. Both bills were unsuccessful in the Legislature.

In more recent years, Sens. Thomas Hansen and Tom Carlson introduced bills to eliminate<sup>35</sup> or reduce<sup>36</sup> the tax during the 103<sup>rd</sup> Legislature in 2014. Following in the 104<sup>th</sup> Legislature, Sen. Laura Ebke introduced LB936<sup>37</sup> in 2016, which created a generous exemption and created a flat 1% tax on all heirs.

The aforementioned reforms and attempts at reform are just a sampling of what has occurred in Nebraska related to the inheritance tax. There have been multiple other bills filed to adjust the tax that have been unsuccessful. While the Legislature has amended the tax, there have also been numerous lawsuits related to Nebraska’s inheritance tax over the last 120 years.<sup>38</sup> However, the

result is that most of the law’s substance and purpose remains unchanged today from its original version in 1901.

## Fiscal and Economic Considerations

Historically, many scholars have argued against inheritance taxes on a multitude of economic premises. The most accepted argument is that the tax falls on capital, which ultimately diminishes future production and reduces economic growth. Those arguing in favor of the tax focus on wealth distribution, arguing that the tax can break up large fortunes. Interestingly, both sides of this argument would disagree with the idea that a progressive inheritance tax should be levied at higher rates as more distant relations receive an inheritance. Those in favor of inheritance taxes traditionally believe progressive rates should be applied to the amount of wealth or property received and not based solely on familial relationships.

Wealth redistribution was not the only original motivation for inheritance taxes, though. The tax largely pre-dates income taxes or sales taxes, and one of the historical rationales for the tax in Nebraska was that an additional revenue source was needed to defray losses from personal property that had escaped taxation. For most of the 20<sup>th</sup> century, personal property tax was owed by the general public, in addition to businesses, but tax avoidance was commonplace.

By enacting an inheritance tax, policymakers reasoned they had a means of collecting tax on personal property that went unpaid in the past, because the personal

property could not be concealed as easily during the probate process. This concern, however, became moot when the state stopped collecting personal property tax on individuals as a result of Nebraska's 1967 tax changes.

In modern tax analysis, the inheritance tax has been found to reduce investment, discourage business expansion, and can sometimes drive wealthy taxpayers out of the state. When high net worth individuals leave states, not only does the local community miss out on the one-time inheritance tax revenue, but the state misses the revenue from other taxes that might have been collected during their lifetimes.<sup>39</sup>

It should be noted that past literature has evaluated the inheritance tax as a state, and not local, revenue source. While most, if not all, of the economic literature is still relevant in this situation, it does change the analysis from a fiscal aspect. Many of Nebraska's counties are extremely rural, with little retail activity. In these remote areas of the state, the ability to shift away from the inheritance tax toward local revenue sources besides property tax may be more limited than in the more urban areas. This is why any reform options must weigh the impact to counties.

Below are the main economic and fiscal concerns related specifically to the inheritance tax.

## **Avoidance**

Many individuals, mostly those expecting to leave a sizable legacy to their heirs, employ sophisticated estate planning techniques to limit their future tax liability. This process not only limits the amount of tax revenue that is collected by governments, but also imposes other costs such as the time and resources spent on estate planning, and in economic opportunities foregone to reduce future tax exposure.<sup>40</sup> These costs have been known to be substantial, and are economically inefficient, as they reduce wealth without increasing government revenues.

Some of the most common avoidance techniques are making tax-advantaged gifts and transfers as well as shifting assets and investments. For example, under a shifting technique, the original owners may bring children on as owners of a home or co-investor in a

business, which allows the profits to accrue directly to the intended heir, effectively bypassing the tax. Both techniques encourage inefficient resource allocation and have a negative impact on economic growth.

Because these estate planning techniques are normally used by wealthy individuals, those of lower- or middle-incomes are usually the most affected by the tax. Because their amount of property may require relatively less management, they would not likely be as motivated to conduct estate planning or hire an outside planner.<sup>41</sup>

## **Nebraska Specific Avoidance Techniques**

Another avoidance method is the failure to report transfers. There are three broad categories of property: real property (real estate), tangible property (furniture, jewelry, etc.), and intangible property (stocks, bonds, insurance policies, etc.). With regards to Nebraska's inheritance tax, tangible and intangible property are the most difficult assets to track. As a result, if a decedent did not own any real estate in the state of Nebraska, then there is no concrete way to track the transfer of their property at death, and it frequently goes unreported.

Another way Nebraskans have been instructed to avoid the inheritance tax on real property is by creating a foreign limited liability company (LLC). If an individual decided to transfer their real property into a foreign LLC, the property interest no longer belongs to the individual, but to the company, effectively sheltering the assets from the inheritance tax.<sup>42</sup>

In fact, this is such a well-known method of avoidance that multiple publications in legal journals have detailed how family farming operations can shield their assets from the burden of state inheritance taxes. Nebraska is so well-known for taxing small farmers with its inheritance tax that the Drake Journal of Agricultural Law used Nebraska as an example in an article titled "Dodging the tax bullet: the use of foreign limited liability companies by retired farmers to limit state inheritance tax liability for the next generation of small farmers."<sup>43</sup>

Those choosing to stay in Nebraska and whom have the foresight to plan for death will go through estate

planning. These legal tax avoidance strategies ultimately create dead-weight losses that reduce economic efficiency and, in some instances, break up farms and family-owned businesses.

## Reliability of Revenue from the Tax

The tax collections from the inheritance tax often fluctuate. In Nebraska, where the tax is collected at the county level, the death of one very wealthy person can dramatically affect collections. Because of this, the inheritance tax is difficult, if not impossible, to forecast. This is partially why the counties in Nebraska treat the revenue from the inheritance tax as a cash reserve. Using long-term averages is the best method for forecasting revenues for this type of tax.

For example, over the last 5 years in Banner County, its inheritance tax revenue equates to an average of 1% of fiscal year receipts. However, in 2016 this jumped to 18.3%. A similar situation occurred in Loup County in 2019, when inheritance tax revenue was 58.7% of total county receipts, where their normal average is around 3%.

This occurs less frequently in larger populated counties, but windfalls from wealthy individuals still occur. Measuring inheritance tax as a percent of total county receipts, Dodge County received 10.6% in 2019, where their average is 2.8%, Saline County received 17.7% in 2018 with an average around 5%, and Dawson County received 27.2% in 2015, with an average of 3.7%.

## Compliance and Administration

The probate system for disposing of assets at death requires an accounting of the decedent's assets. Because Nebraska is the only state to have ever imposed this tax as a local government revenue source, each county administers the tax in different ways. Nebraska also has no central taxing authority, meaning the inheritance tax is administered by the county or probate court of the county where the estate's administration is being conducted.<sup>44</sup> Therefore, while the inheritance tax has no administrative burdens on the state, its implementation and documentation lacks standardization.

## Interstate Competition

One main cause for the trend to eliminate or reduce inheritance taxes is the role of interstate competition. Wealthy taxpayers can easily avoid state taxes by establishing residence in a state where tax laws are more favorable, such as snowbirds moving to Arizona or Florida. However, Nebraska inheritance taxes can legally be imposed on real and tangible property located within the state, even if the taxpayer lives in another state. This does not affect the value of a wealthy person's estate, which today is typically intangible property—stocks, bonds, and cash—that is only taxable to the state of residence.

There have been many academic studies that have found evidence that high state inheritance taxes discourage migration into a state.<sup>45</sup> In fact, one study found that a 1% increase in a state's average inheritance tax rate is associated with a 1.4 to 2.7% decline in the number of federal estate tax returns filed in each state, with estates over \$5 million particularly responsive to rate differentials.<sup>46</sup> In response to those that claim tax competition based upon the inheritance tax is not occurring, one study found "that a 10% decrease in the estate/inheritance tax share of a 'competitor' state leads to between a 2.2 to 4.3% decrease in the state's own estate/inheritance share"—confirming that tax competition on death taxes is taking place.<sup>47</sup>

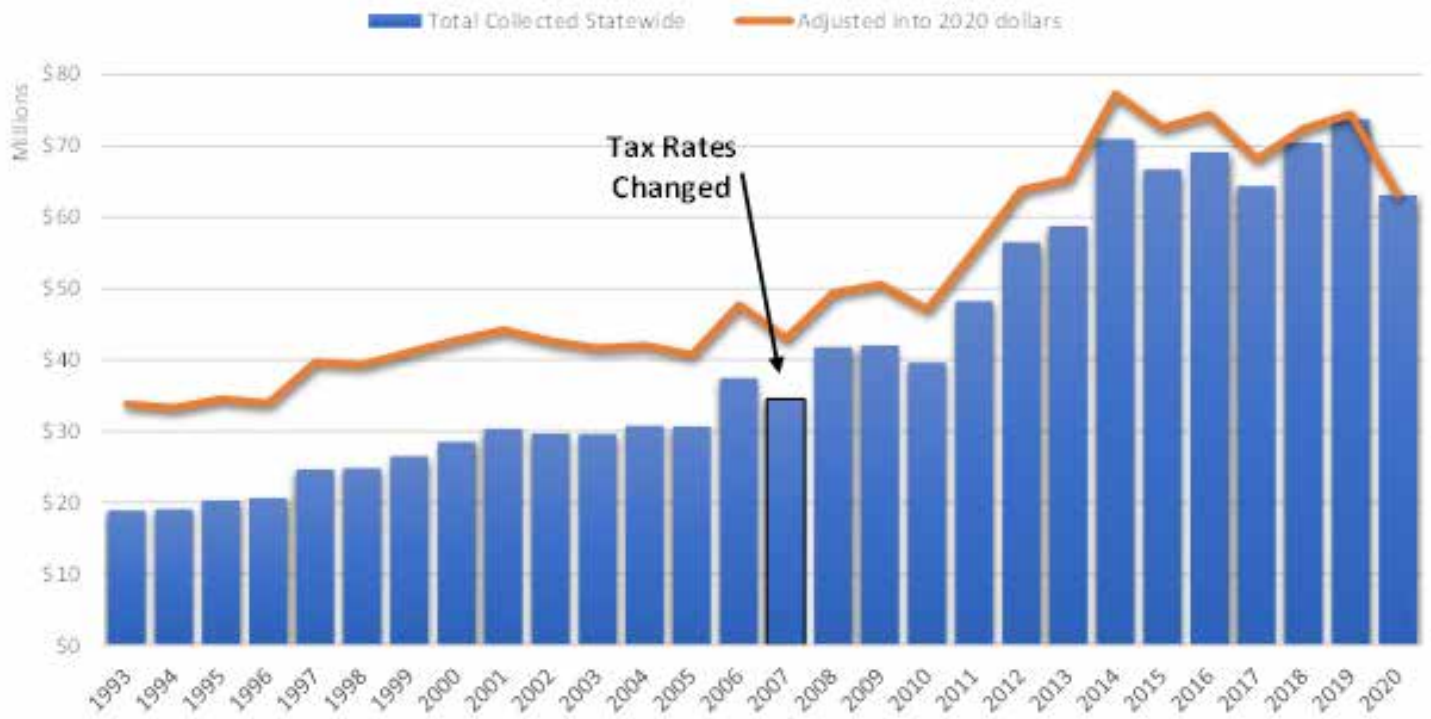
## Nebraska Inheritance Tax Revenues

Because the local revenue received from the inheritance tax functions like a county cash reserve, it is administered and spent in different ways across all 93 counties.<sup>48</sup>

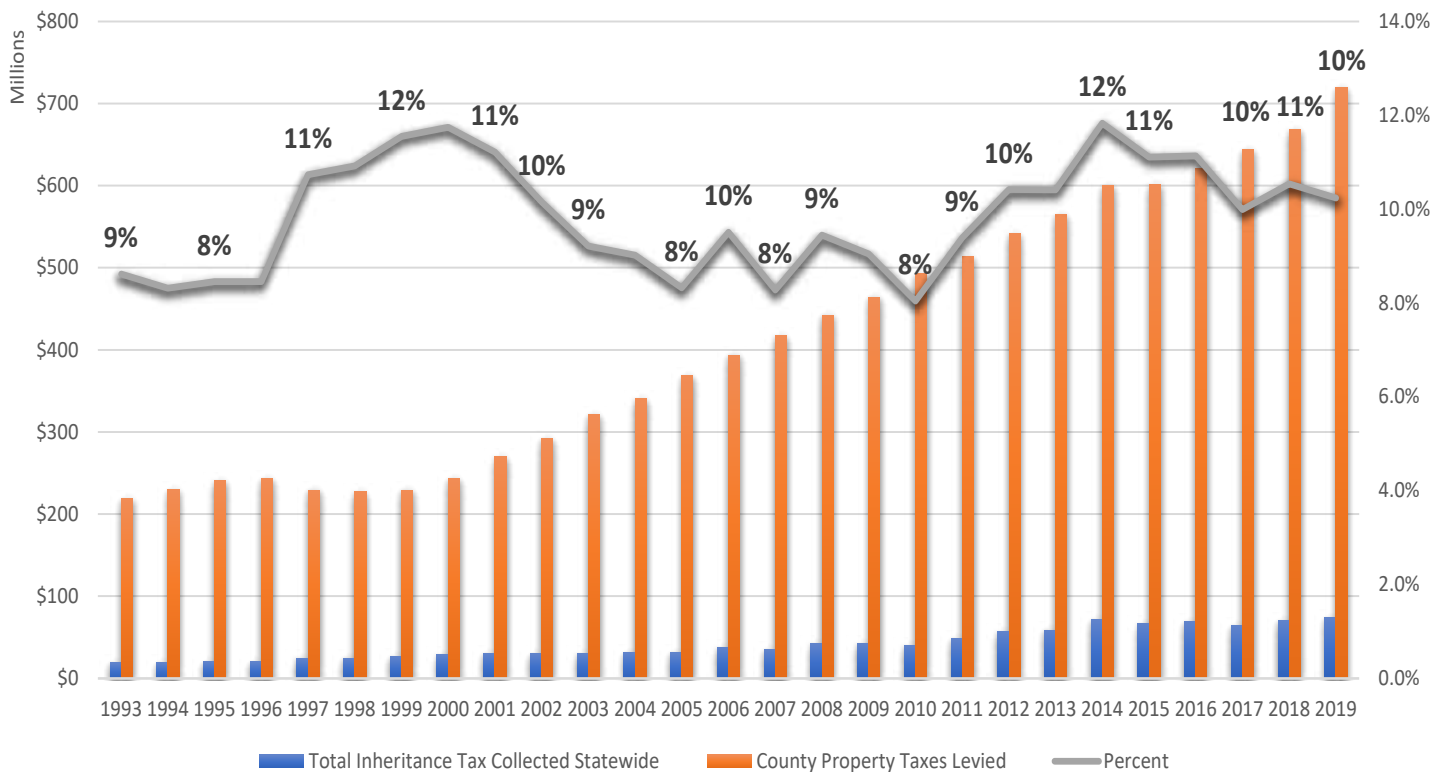
## Statewide Analysis

On a statewide basis, the inheritance tax collections have ranged from \$18.9 to \$73.3 million since 1993 (\$33.7 to \$74.5 million if adjusted for inflation into 2020 dollars). It is noticeable from Figure 2 that the tax rate for Nebraska's inheritance tax changed in 2007. Prior to this time, the tax collections were relatively flat and increased substantially afterward.

**FIGURE 2: Nebraska Inheritance Tax Collections, Statewide Aggregate (1993-2020)**



**FIGURE 3: Statewide Inheritance Tax as a Percent of County Property Tax Collections, 1993-2020**





Part of this is due to the exemption amount and tax rates staying the same while inflation erodes the value of the dollar. This same concept can be observed in income tax analysis, where bracket creep can occur. Inflation can push taxpayers into higher income tax brackets, resulting in an increased tax burden. To prevent this, the Legislature adjusts Nebraska's state income tax brackets to inflation, but has not done so with the inheritance tax.

When Nebraska originally set the exemption at \$10,000 in 1901, it was considered a substantial amount of money (approximately \$306,000 today). Keeping the exemption the same until 2007, when the most generous exemption was raised to \$40,000 (approximately \$50,000 today), has resulted in significant bracket creep.

Many of the arguments against removing the inheritance tax stem from the need for local revenue or the fear that property taxes will increase if the inheritance tax is reduced or repealed. Counties receive many sources of revenue, which include property taxes, motor vehicle taxes, occupation taxes, fees, state aid, etc. However, due to Nebraska's lack of local government financial reporting standards, the exact tax revenues for each county for these years are unavailable. That is why Figure 3 is measured as a percent of property tax collections statewide, to give a very liberal value for what the impact to the counties would be if the inheritance tax were to be repealed.

### County Level Analysis

Each county in Nebraska collects their own inheritance tax and uses it for their own purpose. Some of these counties use the funds annually while others hold onto the funds and make one large disbursement for a major project. Currently, the state has no administrative role over the tax, which is one reason for its lack of reporting. Thanks to public records requests, hundreds of hours reviewing county audits and budgets, along with information from the Nebraska Association of County Officials and the Nebraska Auditor of Public Accountants, this paper has some county level data to provide. For the totals collected by each county in each fiscal year since 1993, please see Appendix 1.

Since fiscal year 1993, there are two counties that have either had the most collected or the least in the entire state over the nearly 30 years of data. Douglas County, the state's most populated, has had the highest amount collected from the tax, with the most ever collected in a single year reaching \$16.2 million in fiscal year 2018. On the opposite end of the spectrum, Arthur County, the state's least populated (est. population 463 people), holds the record for the least collected in a single year, with fiscal year 2019 producing \$0 and the year before only generating \$74.

**TABLE 5: Statewide County Average Inheritance Tax Collections**

Fiscal Year	County Average
1992/1993	\$202,848
1993/1994	\$205,228
1994/1995	\$218,690
1995/1996	\$221,459
1996/1997	\$264,372
1997/1998	\$266,773
1998/1999	\$284,204
1999/2000	\$306,753
2000/2001	\$325,812
2001/2002	\$318,652
2002/2003	\$317,900
2003/2004	\$330,297
2004/2005	\$329,698
2005/2006	\$402,607
2006/2007	\$370,960
2007/2008	\$449,478
2008/2009	\$451,469
2009/2010	\$425,668
2010/2011	\$518,214
2011/2012	\$606,754
2012/2013	\$631,957
2013/2014	\$763,165
2014/2015	\$717,541
2015/2016	\$742,830
2016/2017	\$691,755
2017/2018	\$757,590
2018/2019	\$678,492
2019/2020	\$792,488

Table 6 shows us the average collections for each county, which gives a very different picture when evaluating the impact any changes this tax would have to county finances. As expected, the least populated counties in the state collect the least in inheritance tax dollars while the larger populated counties collect the most.

One of the most frequently asked questions during legislative hearings on reforms to the inheritance tax is what percent of county revenue comes from the

inheritance tax. In Table 7, each county's total receipts (revenues) for fiscal year 2020 is compared to the same year's inheritance tax collections.

The range of inheritance tax collections to total county receipts is from 0.01% in Sherman County to 13.7% in Keya Paha County. The average (mean) statewide is 3.6% with a standard deviation of 2.6%. This tells us that the top two counties, Keya Paha and Loup are extreme outliers, and every county with a value above 6.2% and

**TABLE 6: Average Collections by County, FY1993 to FY2020 (Ranked from least to most collected)**

Arthur	\$ 18,411	Johnson	\$ 154,280	Richardson	\$ 397,903
Thomas	\$ 21,076	Keith	\$ 167,635	Knox	\$ 399,762
McPherson	\$ 22,302	Sheridan	\$ 178,516	Hamilton	\$ 414,476
Grant	\$ 27,363	Pawnee	\$ 186,944	Boone	\$ 432,234
Hooker	\$ 32,304	Valley	\$ 187,211	Colfax	\$ 437,985
Blaine	\$ 32,704	Furnas	\$ 198,936	Fillmore	\$ 466,588
Logan	\$ 33,669	Chase	\$ 199,644	Washington	\$ 473,197
Wheeler	\$ 35,754	Stanton	\$ 209,004	Butler	\$ 477,769
Banner	\$ 41,275	Nance	\$ 212,124	Holt	\$ 497,374
Hayes	\$ 44,814	Dundy	\$ 215,170	Scotts Bluff	\$ 500,992
Sioux	\$ 54,345	Howard	\$ 221,297	Phelps	\$ 531,798
Keya Paha	\$ 61,187	Cheyenne	\$ 221,559	Cuming	\$ 570,689
Rock	\$ 67,533	Cherry	\$ 233,868	Saline	\$ 585,954
Sherman	\$ 72,007	Nuckolls	\$ 240,167	Custer	\$ 596,123
Boyd	\$ 78,141	Thurston	\$ 241,913	Otoe	\$ 597,710
Garden	\$ 81,988	Merrick	\$ 246,414	Seward	\$ 600,318
Morrill	\$ 85,401	Dakota	\$ 251,852	Gage	\$ 601,875
Garfield	\$ 87,691	Red Willow	\$ 256,505	York	\$ 607,708
Brown	\$ 100,778	Nemaha	\$ 258,936	Cass	\$ 649,233
Kimball	\$ 102,120	Pierce	\$ 272,854	Dawson	\$ 651,210
Frontier	\$ 105,439	Dixon	\$ 291,552	Lincoln	\$ 669,605
Loup	\$ 107,536	Box Butte	\$ 293,197	Madison	\$ 676,825
Hitchcock	\$ 107,938	Kearney	\$ 306,046	Saunders	\$ 771,225
Deuel	\$ 115,999	Burt	\$ 317,254	Platte	\$ 785,976
Gosper	\$ 137,736	Jefferson	\$ 328,330	Buffalo	\$ 799,442
Perkins	\$ 138,777	Thayer	\$ 328,393	Adams	\$ 889,573
Dawes	\$ 139,599	Polk	\$ 331,058	Dodge	\$ 904,789
Franklin	\$ 140,957	Antelope	\$ 332,178	Hall	\$ 1,026,736
Greeley	\$ 143,285	Wayne	\$ 342,147	Sarpy	\$ 1,198,753
Harlan	\$ 152,435	Clay	\$ 346,376	Lancaster	\$ 4,388,008
Webster	\$ 153,814	Cedar	\$ 356,463	Douglas	\$ 8,765,354

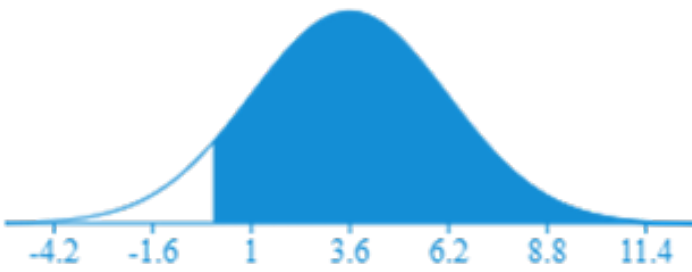
**TABLE 7: Inheritance Tax as a Percent of County Total Receipts for Fiscal Year 2020**

County	Total Receipts	Inheritance Tax Collections	Percent
Keya Paha	\$2,015,289.16	\$275,206	13.7%
Loup	\$1,870,287.01	\$209,988	11.2%
Garfield	\$2,431,480.00	\$251,617	10.3%
Cuming	\$10,200,923.82	\$1,012,662	9.9%
Wayne	\$8,849,990.79	\$794,653	9.0%
Boone	\$14,318,526.00	\$1,137,544	7.9%
Burt	\$10,224,291.97	\$746,704	7.3%
Dixon	\$8,905,294.53	\$630,772	7.1%
Holt	\$18,621,507.84	\$1,272,545	6.8%
Blaine	\$1,317,717.48	\$88,811	6.7%
Hamilton	\$10,113,427.46	\$644,756	6.4%
Custer	\$14,556,861.00	\$926,042	6.4%
Saline	\$15,075,288.20	\$946,379	6.3%
Adams	\$25,678,086.97	\$1,574,894	6.1%
Perkins	\$5,842,851.60	\$357,518	6.1%
Garden	\$4,696,355.76	\$284,121	6.0%
Merrick	\$8,199,702.08	\$477,126	5.8%
Nance	\$5,874,708.86	\$338,783	5.8%
Butler	\$27,222,644.34	\$1,540,811	5.7%
Otoe	\$14,172,153.11	\$797,148	5.6%
Sheridan	\$6,456,982.88	\$354,197	5.5%
Antelope	\$10,773,727.94	\$577,413	5.4%
Nuckolls	\$5,863,671.73	\$313,039	5.3%
Madison	\$24,588,301.17	\$1,296,189	5.3%
Platte	\$25,870,351.19	\$1,355,342	5.2%
Cheyenne	\$10,898,905.32	\$562,463	5.2%
Dakota	\$14,410,775.70	\$732,995	5.1%
Richardson	\$8,622,874.76	\$425,346	4.9%
Clay	\$11,323,252.00	\$533,670	4.7%
York	\$13,847,085.00	\$629,101	4.5%
Hitchcock	\$3,593,874.33	\$157,673	4.4%
Phelps	\$9,312,838.68	\$401,166	4.3%
Greeley	\$3,861,129.00	\$165,706	4.3%
Cass	\$25,364,144.88	\$1,052,333	4.1%
Pierce	\$9,252,785.74	\$373,130	4.0%
Lancaster	\$165,708,207.00	\$6,569,801	4.0%
Gage	\$22,581,040.18	\$889,135	3.9%
Sarpy	\$120,955,217.00	\$4,607,241	3.8%
Dawson	\$21,602,217.23	\$820,908	3.8%
Hall	\$45,706,689.16	\$1,712,543	3.7%
Cedar	\$12,579,782.29	\$469,439	3.7%
Stanton	\$8,007,453.80	\$293,446	3.7%
Gosper	\$3,743,111.86	\$137,146	3.7%
Thurston	\$7,210,217.73	\$246,893	3.4%
Boyd	\$4,426,609.89	\$150,337	3.4%
Buffalo	\$37,957,322.70	\$1,277,760	3.4%
Furnas	\$6,015,566.00	\$201,843	3.4%
Jefferson	\$11,974,712.97	\$384,863	3.2%
Douglas	\$367,194,470.00	\$11,700,555	3.2%

County	Total Receipts	Inheritance Tax Collections	Percent
Grant	\$1,339,915.44	\$41,039	3.1%
Dodge	\$36,639,463.06	\$1,111,817	3.0%
Nemaha	\$7,650,883.88	\$223,876	2.9%
Seward	\$18,341,640.00	\$514,120	2.8%
Hayes	\$2,379,383.24	\$65,564	2.8%
Knox	\$8,970,511.89	\$242,610	2.7%
Polk	\$16,460,653.60	\$409,479	2.5%
Washington	\$29,923,594.68	\$732,542	2.4%
Webster	\$12,198,052.72	\$288,238	2.4%
Lincoln	\$31,378,994.00	\$695,870	2.2%
Dawes	\$7,584,904.23	\$158,324	2.1%
Dundy	\$16,074,163.02	\$333,989	2.1%
Pawnee	\$3,896,887.64	\$79,952	2.1%
Colfax	\$9,377,937.83	\$189,732	2.0%
Howard	\$25,086,941.00	\$490,734	2.0%
Franklin	\$10,191,349.21	\$194,691	1.9%
Harlan	\$4,883,253.09	\$92,434	1.9%
Hooker	\$1,273,202.82	\$24,089	1.9%
Fillmore	\$33,185,053.77	\$615,535	1.9%
Cherry	\$18,706,558.58	\$339,619	1.8%
Banner	\$1,939,851.38	\$28,957	1.5%
Thayer	\$29,301,150.76	\$432,055	1.5%
Saunders	\$57,094,276.75	\$832,914	1.5%
Red Willow	\$16,158,060.12	\$225,296	1.4%
Frontier	\$3,850,020.00	\$49,997	1.3%
Scotts Bluff	\$30,457,379.29	\$393,414	1.3%
Arthur	\$896,124.61	\$10,782	1.2%
Deuel	\$3,457,451.39	\$41,475	1.2%
Keith	\$9,654,538.27	\$110,750	1.1%
Chase	\$18,745,851.43	\$190,753	1.0%
Kearney	\$25,150,632.76	\$235,966	0.9%
Johnson	\$27,009,498.64	\$211,590	0.8%
Logan	\$1,751,001.25	\$12,227	0.7%
Valley	\$44,472,366.00	\$299,125	0.7%
McPherson	\$1,224,977.60	\$7,230	0.6%
Sioux	\$2,871,433.09	\$16,319	0.6%
Kimball	\$24,927,401.00	\$114,000	0.5%
Brown	\$16,090,144.69	\$66,241	0.4%
Rock	\$15,619,009.48	\$51,029	0.3%
Wheeler	\$2,195,161.00	\$7,026	0.3%
Box Butte	\$59,682,396.95	\$178,259	0.3%
Thomas	\$1,489,033.42	\$4,166	0.3%
Morrill	\$30,815,718.00	\$35,788	0.1%
Sherman	\$4,641,855.00	\$353	0.01%

**NOTE:** Data was taken from the 2020-21 county budgets for receipts during the period 2019-20. These figures have not been audited. Some counties operate a hospital or nursing home which could significantly alter these figures. Source is Nebraska Auditor's Office, requested 1/13/2021.

**FIGURE 4: Bell Curve of Inheritance Tax Collections as Percent of Total Receipts (See Table 7 for data)**



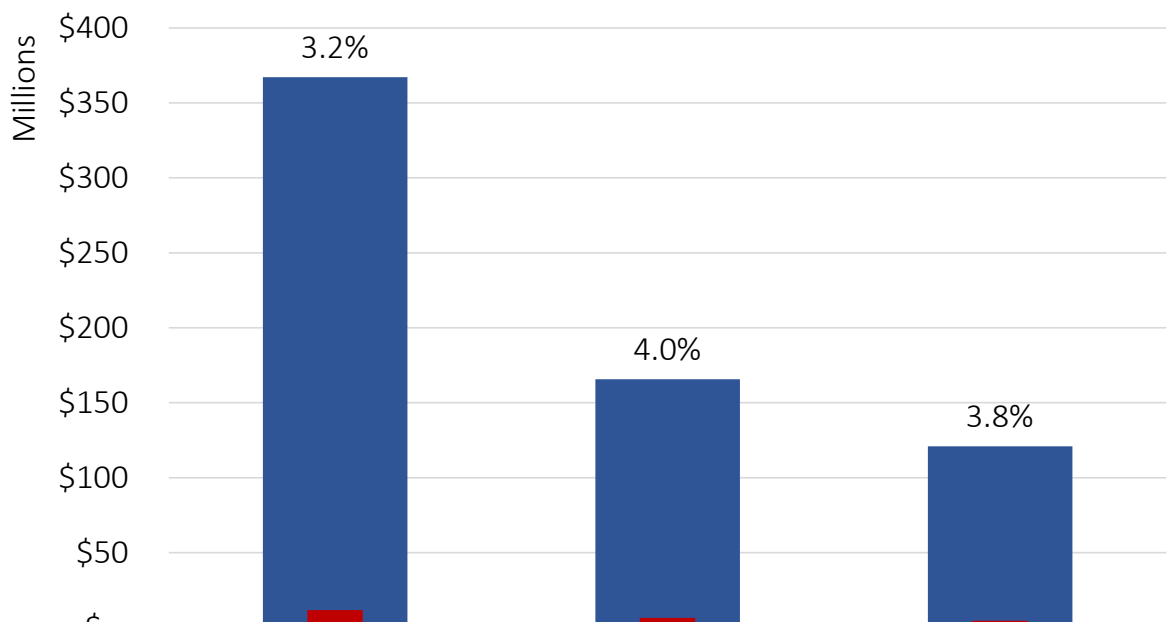
below 1% is outside one standard deviation from the mean. This applies to the bottom 14 and the top 13 counties.

The data is illustrated in a normal bell curve distribution. From this, we can see that for FY2020, seventy counties fell within one standard deviation of the mean, or inheritance tax collections were between 1% to 6.2% of

total receipts. While the mean and standard deviation change each year, this snapshot of FY2020 gives a general estimate of what counties are relying on annually from the tax. In raw numbers, 14 counties were within two standard deviations from the mean (8 above and 14 below) while only one was 3 standard deviations above the mean. What this distribution shows is that while there are outliers of county inheritance tax receipts, most counties tend to collect 3-4% of their tax receipts from the inheritance tax.

Because Nebraska has such varied population centers across the state, it is important to know how this tax affects counties from a population stance. Figure 5 looks at the three largest counties in the state and compares their total county receipts to total inheritance tax collections for FY2020. Figure 6 uses the same methodology yet groups counties according to population. The exact amounts used for the calculation are included in the figures.

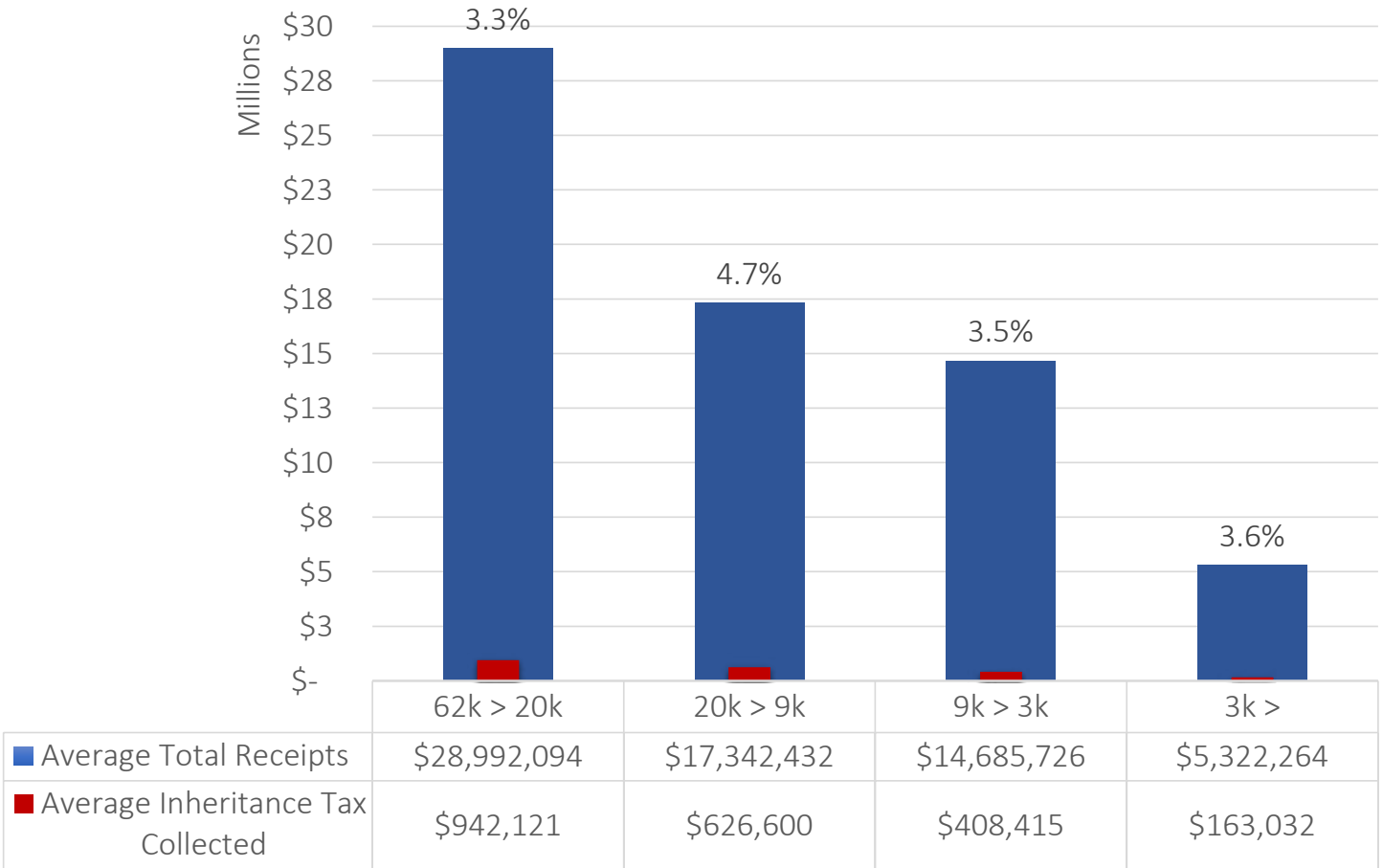
**FIGURE 5: Inheritance Tax as Percent of Total Receipts for 3 Largest Counties, FY2020**



	Douglas	Lancaster	Sarpy
■ Total Receipts	\$367,194,470	\$165,708,207	\$120,955,217
■ Inheritance Tax Collections	\$11,700,555	\$6,569,801	\$4,607,241



**FIGURE 6: Inheritance Tax as a Percent of Total County Receipts, FY2020 (Grouped by Population)**



## Reform Options for Nebraska

The following are reform options that would be appropriate for Nebraska’s inheritance tax.

### Repeal or Phase Out the Inheritance Tax

While the ideal reform option is the eventual repeal of the inheritance tax with a gradual phase out to allow counties time to adjust, history has shown us the opposition to this reform option is very strong. Forward-thinking lawmakers have introduced bills for over 40 years trying to repeal the inheritance tax, but none have been successful. Because of this situation, other reform options have been suggested in this paper to make the tax less burdensome and to modernize Nebraska’s tax code.

### Reduce the Top Rate and Consolidate Tax Brackets

Right now, Nebraska has the highest rate for inheritance taxes nationwide at 18% for the Class 3 inheritors—those who are not related to the decedent. According to past testimony from NACO, the third bracket accounts for only 9-10% of the total amount collected under the tax. Consolidation of the Class 3 and Class 2 brackets (distant relatives) for the tax should be combined, creating a two-tiered tax with a top rate of only 13%, which is Nebraska’s current rate for Class 2 recipients. This reform would drop Nebraska’s top inheritance rate to the second lowest in the country, just behind Maryland’s top rate of 10%. If the reform proposed by Sen. Robert Clements in LB310 during the 107<sup>th</sup> Legislature of 2021 is enacted, then Nebraska’s top inheritance tax rate would be the lowest in the country at 9%.

TABLE 8: Hypothetical Consolidation of Tax Brackets and Top Rate

Current Ranking by Top Tax Rate	New Ranking Under Reform
<b>Nebraska - 18%</b>	Kentucky - 16%
Kentucky - 16%	New Jersey - 16%
New Jersey - 16%	Iowa - 15%
Iowa - 15%	Pennsylvania - 15%
Pennsylvania - 15%	<b>Nebraska - 13%</b>
Maryland - 10%	Maryland - 10%

### Remove Probate Provisions

It is difficult to obtain the information on the amount collected by each class without going through each probate case individually. In addition, the cost to the beneficiary to take the estate through probate can sometimes equate 1-2% of the total inheritance, thus adding another regulatory-type tax onto the beneficiary.

A useful reform to the current system would be to move the inheritance tax out from under the court system and put it under the County Treasurer. This would simplify the system, requiring the beneficiary to only complete a form instead of having to hire an attorney. Standardizing this process would make reporting much easier and transparent.

### A Statewide Reporting Requirement

For decades, policymakers have wondered how much revenue the inheritance tax collects, and how much is collected under each class tier and tax rate. NACO has tried to compile this information for the Legislature over the last few decades, but they have admitted it is time-consuming and not possible to get accurate information for all 93 counties.

Each county should remit to the state the amount of the tax collected in each tier to the Department of Revenue or the State Auditor. This will make data available to lawmakers who might want to consider how to adjust the inheritance tax rates in the future. The state department charged with this task should aggregate all the information and issue an annual report to the Legislature.

### Allow County Level Sales Tax as a Replacement

Under current Nebraska law, a county sales tax can only be imposed on taxable sales within the county, but not within the boundaries of any city that also imposes a city sales tax.<sup>49</sup> One possible reform could be to change state law to allow counties to collect sales tax within city limits, in addition to city taxes, if the county sales tax is approved by voters. This revenue stream could replace the inheritance tax and would be a more reliable source of revenue for the counties.

However, it should be noted that some counties have very little retail activity and taxable sales within their jurisdictions, such as Banner, Blaine, Hayes, and McPherson counties. So, while this is a viable reform option for the more populated counties in Nebraska, it is not a solution for every county.

### Exempt Children Under the Age of Majority if Parents or Direct Guardians are Decedents

In his *Wealth of Nations*,<sup>50</sup> Adam Smith mentioned that it was inappropriate to impose an inheritance tax upon the death of a parent or guardian when the decedent's children were still minors. If this situation were to occur, the loss of the parent or guardian may already result in a considerable reduction of future financial support, and the children should not be subject to any further reduction of their parent's or guardian's possessions.

TABLE 9: Hypothetical Sales Tax Versus Inheritance Tax Collections for Low Population Counties

County	Avg. Net Taxable Sales, 2014-17	Hypothetical 0.5% Sales Tax	Avg. Inheritance Tax Collections, 2014-17	Difference
	(A)	(A x 0.005)	(B)	(B – A)
Banner	\$143,927	\$720	\$111,155	\$110,435
Blaine	\$632,947	\$3,165	\$40,992	\$37,827
Hayes	\$1,115,384	\$5,577	\$50,853	\$45,276
McPherson	\$743,818	\$3,719	\$50,288	\$46,569

“That tax would be cruel and oppressive which aggravated their loss by taking from them any part of his succession.”

– *Wealth of Nations*

Nebraska’s inheritance tax law should exclude minor children from the 1% tax imposed on them if their parents or guardians leave them any inheritance. The fiscal impact of this should be negligible since most people die at an advanced age.

## Conclusion

Several proposals have been introduced in the Legislature in recent years to address the inheritance tax. The fact remains that Nebraska’s inheritance tax is chiefly a tax on families. And since the assets to be inherited were acquired with after-tax income, in the case of Nebraska’s excessive property tax, it is appropriate to describe the inheritance tax as a triple tax, since the decedent must have also been paying the requisite property taxes for the land to be inheritable.

The inheritance tax is contrary to the idea of tax modernization because it is a holdover from a tax system and economy that no longer exists. Given that there is no sign that other states will reinstitute their inheritance taxes in the 21<sup>st</sup> century, Nebraska should recognize that it is in the state’s interest to repeal the tax, if not immediately, then over a reasonable period of years.

Records show that although many Nebraska policymakers understood the need for repeal, even in eras when the tax brought in a relatively minimal amount of revenue for counties, they also faced insurmountable obstacles in the Legislature.

If the removal of the inheritance tax is politically impossible due to the need for local revenue sources other than property tax, then Nebraska lawmakers need to look seriously at the tax’s most harmful effects and work to mitigate those features, so the tax is more efficient and less of an economic burden to families.

Those that support the tax’s progressive nature would do well to see that taxing an inheritance at a higher rate based on the relationship from the decedent is in direct opposition to wealth distribution policies. For example, a life-long domestic partner is not recognized as a legal spouse by the State, and this means their gift from the decedent is taxed at the highest rate.

Reforms are long overdue for this tax, as well as a uniform method of reporting the revenue generated from the tax. Making changes to the inheritance tax can help Nebraska create a tax system more aligned with the 21st century and may cause the state to be removed from *Forbes’* list of places “not to die,”<sup>51</sup> but most importantly, eliminating the barriers and frustrations the tax creates for families and businesses can make Nebraska a better place to live.

## Appendix 1: 93 Counties with Inheritance Tax Collections by Year (1993 to 2020)

County	FY 1992/1993	FY 1993/1994	FY 1994/1995	FY 1995/1996	FY 1996/1997	FY 1997/1998	FY 1998/1999
<b>Adams</b>	\$304,190	\$414,110	\$575,306	\$387,096	\$745,369	\$668,460	\$825,758
<b>Antelope</b>	\$75,360	\$98,433	\$165,552	\$155,573	\$88,220	\$226,005	\$130,539
<b>Arthur</b>	\$10,708	\$7,955	\$2,186	\$55	\$1,104	\$2,472	\$12,326
<b>Banner</b>	\$11,441	\$23,378	\$1,153	\$5,581	\$11,912	\$9,187	\$7,560
<b>Blaine</b>	\$26,434	\$10,212	\$14,037	\$1,640	\$6,366	\$15,485	\$25,672
<b>Boone</b>	\$97,543	\$124,367	\$148,833	\$112,935	\$158,974	\$94,910	\$116,061
<b>Box Butte</b>		\$90,052	\$73,216	\$52,973	\$126,738	\$89,363	\$101,338
<b>Boyd</b>	\$87,977	\$47,431	\$81,148	\$189,807	\$126,723	\$65,927	\$62,007
<b>Brown</b>	\$57,686	\$66,363	\$84,696	\$58,665	\$41,008	\$50,250	\$25,000
<b>Buffalo</b>	\$505,915	\$394,757	\$302,357	\$393,198	\$511,344	\$672,695	\$644,279
<b>Burt</b>	\$110,000	\$105,000	\$206,000	\$126,800	\$98,000	\$175,000	\$250,000
<b>Butler</b>	\$137,999	\$385,424	\$116,117	\$280,743	\$216,881	\$182,715	\$217,639
<b>Cass</b>	\$173,185	\$236,576	\$359,916	\$243,181	\$479,811	\$351,451	\$629,998
<b>Cedar</b>	\$194,445	\$141,518	\$88,014	\$45,832	\$79,964	\$87,340	\$45,758
<b>Chase</b>	\$24,160	\$71,636	\$106,730	\$43,940	\$56,189	\$46,672	\$119,499
<b>Cherry</b>	\$126,209	\$154,186	\$126,689	\$91,768	\$136,484	\$160,018	\$208,188
<b>Cheyenne</b>	\$91,950	\$75,590	\$62,030	\$88,550	\$110,869	\$102,474	\$156,379
<b>Clay</b>	\$58,743	\$228,262	\$225,842	\$171,083	\$51,420	\$270,407	\$269,493
<b>Colfax</b>	\$205,523	\$224,571	\$227,018	\$283,209	\$331,939	\$301,635	\$109,415
<b>Cuming</b>	\$625,569	\$214,397	\$214,815	\$240,853	\$191,852	\$402,908	\$265,945
<b>Custer</b>	\$119,970	\$149,628	\$115,458	\$325,924	\$206,810	\$177,767	\$234,172
<b>Dakota</b>	\$208,409	\$66,855	\$163,938	\$129,872	\$145,737	\$73,229	\$221,425
<b>Dawes</b>	\$133,803	\$41,691	\$99,709	\$61,168	\$157,506	\$112,068	\$104,159
<b>Dawson</b>	\$203,434	\$340,952	\$318,432	\$362,097	\$248,055	\$236,125	\$164,434
<b>Deuel</b>	\$33,801	\$33,490	\$338,963	\$52,959	\$37,944	\$186,045	\$46,515
<b>Dixon</b>	\$49,704	\$64,300	\$111,060	\$86,266	\$61,887	\$55,750	\$100,675
<b>Dodge</b>	\$411,824	\$294,432	\$555,961	\$678,596	\$552,661	\$654,686	\$528,122
<b>Douglas</b>	\$3,534,989	\$4,135,835	\$4,171,719	\$4,800,229	\$5,470,063	\$4,766,346	\$5,894,285
<b>Dundy</b>	\$35,967	\$47,969	\$23,747	\$43,748	\$56,179	\$97,047	\$104,318
<b>Fillmore</b>	\$381,968	\$255,236	\$60,717	\$89,882	\$609,469	\$124,870	\$259,324
<b>Franklin</b>	\$60,449	\$98,974	\$56,686	\$48,481	\$145,765	\$108,635	\$90,358
<b>Frontier</b>	\$71,382	\$126,212	\$57,240	\$126,514	\$38,969	\$80,266	\$13,997
<b>Furnas</b>	\$65,500	\$75,703	\$203,759	\$135,691	\$65,377	\$76,023	\$47,625
<b>Gage</b>	\$337,967	\$414,039	\$315,808	\$242,653	\$375,470	\$270,697	\$405,798
<b>Garden</b>	\$11,291	\$29,717	\$24,264	\$6,852	\$12,209	\$44,438	\$78,195
<b>Garfield</b>	\$23,516	\$12,498	\$35,260	\$17,490	\$28,955	\$172,186	\$44,727
<b>Gosper</b>	\$52,001	\$52,914	\$125,663	\$48,351	\$40,712	\$46,857	\$41,583
<b>Grant</b>	\$9,730	\$3,638	\$2,879	\$64,425	\$12,618	\$56,267	\$65,435
<b>Greeley</b>	\$44,878	\$45,061	\$171,340	\$22,878	\$76,060	\$48,666	\$13,270
<b>Hall</b>	\$1,207,776	\$593,706	\$445,369	\$421,553	\$454,582	\$742,486	\$740,481
<b>Hamilton</b>	\$183,016	\$143,386	\$336,298	\$361,088	\$116,527	\$164,354	\$232,895
<b>Harlan</b>	\$29,035	\$93,699	\$77,007	\$72,382	\$27,227	\$92,703	\$46,108
<b>Hayes</b>	\$51,282	\$16,773	\$10,157	\$4,829	\$13,081	\$27,537	\$11,621
<b>Hitchcock</b>	\$24,918	\$62,064	\$63,534	\$97,927	\$71,909	\$263,324	\$129,067
<b>Holt</b>	\$165,812	\$80,804	\$183,917	\$112,969	\$299,367	\$242,722	\$242,456
<b>Hooker</b>	\$2,793	\$4,257	\$14,714	\$19,600	\$131,124	\$78,501	\$61,662
<b>Howard</b>	\$299,144	\$200,102	\$183,723	\$270,738	\$359,231	\$97,937	\$180,496



	FY 1999/2000	FY 2000/2001	FY 2001/2002	FY 2002/2003	FY 2003/2004	FY 2004/2005	FY 2005/2006
	\$789,885	\$543,359	\$380,982	\$587,687	\$543,839	\$1,309,145	\$636,680
	\$58,470	\$88,654	\$234,565	\$260,101	\$342,557	\$195,249	\$199,667
	\$48,060	\$8,671	\$4,254	\$12,329	\$38,234	\$27,759	\$11,201
	\$2,396	\$3,502	\$12,915	\$93,176	\$20,924	\$21,322	\$5,428
	\$8,915	\$49,178	\$2,043	\$9,895	\$11,112	\$22,965	\$19,538
	\$169,626	\$176,961	\$79,322	\$107,929	\$145,182	\$195,993	\$424,671
	\$471,296	\$205,239	\$100,926	\$132,700	\$112,822	\$53,126	\$84,201
	\$77,626	\$23,697	\$18,413	\$17,307	\$110,796	\$86,781	\$73,757
	\$51,757	\$30,830	\$67,212	\$83,756	\$27,518	\$43,778	\$97,140
	\$526,160	\$602,726	\$622,726	\$588,442	\$645,085	\$600,000	\$422,083
	\$358,679	\$100,000	\$337,532	\$247,177	\$255,710	\$64,915	\$194,268
	\$187,600	\$301,706	\$323,731	\$316,965	\$372,166	\$159,699	\$409,062
	\$476,996	\$344,418	\$404,072	\$456,849	\$243,022	\$653,711	\$482,973
	\$185,061	\$160,618	\$105,710	\$284,145	\$118,525	\$117,986	\$94,236
	\$134,578	\$114,772	\$99,378	\$68,858	\$66,919	\$122,206	\$94,405
	\$195,000	\$370,858	\$148,742	\$129,293	\$108,512	\$250,000	\$153,879
	\$295,862	\$251,348	\$83,246	\$195,018	\$110,855	\$324,884	\$186,860
	\$153,545	\$180,619	\$157,019	\$163,288	\$208,090	\$450,937	\$264,720
	\$145,000	\$218,539	\$136,500	\$196,285	\$300,694	\$349,517	\$252,397
	\$246,391	\$251,409	\$279,888	\$337,632	\$303,904	\$277,362	\$309,251
	\$337,666	\$717,955	\$334,251	\$327,785	\$224,451	\$351,042	\$471,515
	\$97,760	\$195,037	\$78,469	\$93,859	\$199,409	\$455,673	\$130,510
	\$144,167	\$116,277	\$104,959	\$94,822	\$96,201	\$54,141	\$137,112
	\$307,430	\$643,161	\$272,987	\$216,149	\$373,002	\$258,014	\$343,382
	\$47,222	\$60,439	\$108,852	\$185,993	\$140,769	\$96,070	\$32,042
	\$172,259	\$80,643	\$191,282	\$149,058	\$141,084	\$129,608	\$217,384
	\$873,665	\$766,626	\$808,215	\$1,142,268	\$601,228	\$809,345	\$958,317
	\$6,781,925	\$6,448,129	\$7,745,623	\$7,186,241	\$7,696,966	\$7,080,078	\$14,707,249
	\$39,099	\$17,787	\$64,947	\$57,371	\$95,896	\$188,859	\$42,888
	\$378,558	\$279,184	\$197,665	\$353,269	\$235,332	\$269,481	\$228,561
	\$170,624	\$50,385	\$108,207	\$74,342	\$117,234	\$151,813	\$73,081
	\$79,433	\$79,433	\$165,549	\$168,704	\$79,416	\$70,074	\$88,428
	\$172,695	\$318,425	\$59,882	\$239,068	\$107,024	\$62,480	\$111,368
	\$734,869	\$349,518	\$336,294	\$354,170	\$357,207	\$458,801	\$505,198
	\$86,085	\$83,495	\$30,661	\$89,524	\$220,049	\$20,000	\$19,405
	\$33,209	\$109,560	\$44,287	\$55,237	\$96,266	\$32,527	\$86,226
	\$29,767	\$26,424	\$57,096	\$57,096	\$36,656	\$58,589	\$58,714
	\$16,426	\$66,533	\$7,272	\$1,794	\$3,709	\$412	\$5,714
	\$63,453	\$90,445	\$84,427	\$83,648	\$87,219	\$56,333	\$55,682
	\$876,232	\$795,871	\$737,623	\$932,606	\$804,436	\$684,233	\$779,689
	\$444,335	\$556,844	\$328,212	\$199,450	\$293,433	\$356,286	\$143,207
	\$71,309	\$32,066	\$36,850	\$65,862	\$61,902	\$136,078	\$54,246
	\$9,834	\$14,469	\$22,975	\$30,055	\$17,128	\$69,900	\$24,994
	\$140,985	\$63,166	\$62,605	\$43,683	\$26,291	\$36,196	\$167,891
	\$242,455	\$231,225	\$250,675	\$257,746	\$190,427	\$207,154	\$315,885
	\$16,484	\$2,263	\$17,626	\$8,498	\$10,575	\$19,267	\$239,484
	\$216,293	\$137,892	\$73,417	\$54,328	\$240,885	\$136,980	\$244,676

Adams to Howard 2007-2020 data continued on next page.  
 Counties Jefferson to York data on pages 24-27.

County	FY 2006/2007	FY 2007/2008	FY 2008/2009	FY 2009/2010	FY 2010/2011	FY 2011/2012	FY 2012/2013
<b>Adams</b>	\$697,023	\$673,329	\$1,103,678	\$686,728	\$1,120,989	\$1,399,172	\$739,500
<b>Antelope</b>	\$138,375	\$176,134	\$194,844	\$245,279	\$316,481	\$522,129	\$566,225
<b>Arthur</b>	\$15,572	\$14,989	\$26,098	\$27,844	\$2,049	\$3,852	\$2,314
<b>Banner</b>	\$32,796	\$10,097	\$221,555	\$30,078	\$296	\$90,664	\$28,396
<b>Blaine</b>	\$25,974	\$17,878	\$29,497	\$220,659	\$47,401	\$12,399	\$50,689
<b>Boone</b>	\$199,752	\$289,177	\$130,128	\$294,234	\$414,890	\$536,081	\$774,507
<b>Box Butte</b>	\$158,682	\$2,692,036	\$301,024	\$191,491	\$192,946	\$230,440	\$242,646
<b>Boyd</b>	\$91,419	\$41,532	\$52,909	\$15,255	\$158,885	\$19,111	\$51,495
<b>Brown</b>	\$37,356	\$100,240	\$114,918	\$99,832	\$28,830	\$54,336	\$219,601
<b>Buffalo</b>	\$579,826	\$501,225	\$816,370	\$1,056,456	\$392,462	\$746,705	\$1,378,565
<b>Burt</b>	\$241,564	\$145,358	\$567,366	\$429,098	\$253,570	\$364,863	\$502,709
<b>Butler</b>	\$571,302	\$555,713	\$440,653	\$1,090,112	\$166,151	\$422,239	\$457,710
<b>Cass</b>	\$1,156,527	\$372,221	\$324,382	\$538,382	\$847,970	\$411,489	\$1,080,827
<b>Cedar</b>	\$449,534	\$206,473	\$316,243	\$276,497	\$297,289	\$452,640	\$319,749
<b>Chase</b>	\$93,132	\$95,841	\$134,712	\$162,800	\$274,464	\$256,991	\$892,791
<b>Cherry</b>	\$331,576	\$119,026	\$464,000	\$368,000	\$186,000	\$152,356	\$262,989
<b>Cheyenne</b>	\$178,058	\$236,817	\$244,098	\$146,320	\$222,337	\$212,723	\$212,723
<b>Clay</b>	\$189,274	\$193,703	\$254,021	\$216,133	\$404,822	\$262,906	\$1,228,004
<b>Colfax</b>	\$492,400	\$439,298	\$587,426	\$830,395	\$598,351	\$1,149,875	\$660,545
<b>Cuming</b>	\$516,963	\$737,367	\$751,190	\$618,481	\$836,916	\$730,286	\$506,313
<b>Custer</b>	\$297,991	\$265,816	\$799,843	\$889,338	\$393,900	\$482,110	\$664,261
<b>Dakota</b>	\$272,269	\$151,567	\$219,768	\$95,250	\$466,786	\$668,832	\$133,402
<b>Dawes</b>	\$145,308	\$88,366	\$130,370	\$99,862	\$178,125	\$94,644	\$230,549
<b>Dawson</b>	\$346,836	\$489,145	\$363,705	\$234,952	\$688,837	\$611,182	\$1,067,384
<b>Deuel</b>	\$22,887	\$273,347	\$39,749	\$68,922	\$23,644	\$31,483	\$709,927
<b>Dixon</b>	\$168,746	\$132,600	\$67,842	\$151,191	\$352,776	\$366,970	\$863,183
<b>Dodge</b>	\$485,776	\$717,269	\$850,360	\$933,587	\$909,403	\$1,237,657	\$1,261,467
<b>Douglas</b>	\$7,990,026	\$9,935,194	\$8,635,049	\$7,807,522	\$9,204,283	\$12,373,104	\$8,773,987
<b>Dundy</b>	\$47,358	\$52,961	\$31,168	\$99,113	\$215,743	\$48,143	\$144,464
<b>Fillmore</b>	\$349,297	\$198,483	\$473,543	\$486,566	\$515,045	\$522,950	\$975,945
<b>Franklin</b>	\$40,925	\$50,450	\$412,602	\$178,805	\$76,210	\$78,764	\$209,940
<b>Frontier</b>	\$75,318	\$89,304	\$153,000	\$91,996	\$84,216	\$80,143	\$240,968
<b>Furnas</b>	\$156,065	\$202,296	\$159,362	\$264,070	\$285,546	\$447,837	\$426,893
<b>Gage</b>	\$430,104	\$1,001,891	\$769,432	\$425,287	\$866,838	\$298,566	\$663,675
<b>Garden</b>	\$27,148	\$234,897	\$43,132	\$189,578	\$30,968	\$106,431	\$109,087
<b>Garfield</b>	\$34,402	\$38,997	\$25,123	\$13,751	\$22,610	\$128,397	\$64,599
<b>Gosper</b>	\$138,078	\$50,427	\$41,401	\$54,450	\$78,721	\$115,613	\$67,812
<b>Grant</b>	\$16,748	\$36,537	\$2,597	\$10,638	\$12,338	\$1,731	\$45,412
<b>Greeley</b>	\$209,091	\$56,310	\$206,080	\$41,546	\$490,865	\$199,007	\$121,301
<b>Hall</b>	\$834,432	\$1,057,803	\$983,009	\$842,821	\$1,159,128	\$1,316,600	\$844,797
<b>Hamilton</b>	\$281,361	\$302,105	\$425,856	\$217,240	\$471,054	\$421,877	\$726,183
<b>Harlan</b>	\$67,404	\$132,122	\$64,521	\$47,328	\$308,226	\$244,422	\$149,972
<b>Hayes</b>	\$8,340	\$91,349	\$20,268	\$37,679	\$230,787	\$39,829	\$100,607
<b>Hitchcock</b>	\$66,299	\$58,298	\$126,493	\$109,268	\$328,686	\$282,823	\$169,896
<b>Holt</b>	\$230,042	\$482,262	\$249,639	\$1,288,292	\$750,515	\$1,346,379	\$340,698
<b>Hooker</b>	\$15,972	\$15,220	\$23,589	\$17,589	\$13,422	\$1,727	\$24,190
<b>Howard</b>	\$104,529	\$117,617	\$157,793	\$57,589	\$270,483	\$301,402	\$368,322

	FY 2013/2014	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
	\$981,143	\$836,438	\$951,344	\$2,633,830	\$1,341,105	\$1,457,007	\$1,574,894
	\$632,181	\$383,528	\$1,078,243	\$964,945	\$756,821	\$429,429	\$577,413
	\$143,376	\$28,500	\$25,452	\$27,300	\$74	\$0	\$10,782
	\$8,478	\$112,599	\$307,790	\$15,753	\$17,894	\$20,481	\$28,957
	\$52,235	\$75,077	\$4,723	\$31,932	\$23,512	\$11,440	\$88,811
	\$926,573	\$1,218,550	\$460,379	\$568,931	\$923,143	\$2,075,348	\$1,137,544
	\$224,490	\$78,195	\$167,193	\$1,124,742	\$153,619	\$286,564	\$178,259
	\$47,316	\$124,989	\$27,908	\$89,619	\$128,234	\$119,535	\$150,337
	\$398,473	\$69,547	\$417,971	\$98,175	\$171,463	\$159,151	\$66,241
	\$1,667,011	\$1,237,368	\$1,600,563	\$652,925	\$890,171	\$2,155,195	\$1,277,760
	\$337,726	\$898,517	\$549,309	\$512,605	\$407,773	\$296,880	\$746,704
	\$1,014,844	\$465,741	\$1,045,897	\$549,516	\$531,848	\$916,538	\$1,540,811
	\$1,169,854	\$1,103,845	\$915,460	\$553,327	\$1,152,724	\$1,963,016	\$1,052,333
	\$724,918	\$520,884	\$1,328,030	\$300,693	\$1,544,596	\$1,024,827	\$469,439
	\$328,000	\$257,224	\$351,286	\$573,647	\$344,395	\$464,053	\$190,753
	\$232,721	\$428,471	\$236,114	\$320,197	\$349,331	\$398,070	\$339,619
	\$159,628	\$141,906	\$356,324	\$163,259	\$615,534	\$615,534	\$562,463
	\$1,150,753	\$255,134	\$1,046,587	\$465,379	\$323,566	\$321,107	\$533,670
	\$748,667	\$1,002,884	\$474,783	\$658,821	\$704,555	\$443,601	\$189,732
	\$1,316,887	\$938,822	\$1,949,764	\$479,096	\$692,881	\$729,484	\$1,012,662
	\$786,630	\$488,194	\$3,455,387	\$970,997	\$997,311	\$1,179,220	\$926,042
	\$150,478	\$378,163	\$54,642	\$855,556	\$73,483	\$538,494	\$732,995
	\$23,145	\$526,290	\$150,264	\$113,597	\$354,937	\$157,199	\$158,324
	\$831,298	\$5,419,146	\$1,128,705	\$669,360	\$741,368	\$533,410	\$820,908
	\$57,804	\$262,727	\$48,590	\$176,703	\$23,678	\$65,929	\$41,475
	\$1,154,838	\$477,979	\$322,816	\$662,060	\$890,224	\$310,490	\$630,772
	\$1,981,393	\$851,884	\$908,485	\$1,487,665	\$913,238	\$2,048,148	\$1,111,817
	\$15,134,203	\$12,091,183	\$12,672,198	\$10,766,238	\$16,240,156	\$11,686,523	\$11,700,555
	\$302,822	\$308,377	\$242,466	\$397,317	\$2,762,422	\$122,605	\$333,989
	\$910,347	\$955,096	\$830,347	\$630,126	\$676,392	\$1,201,286	\$615,535
	\$127,164	\$307,981	\$280,865	\$181,439	\$175,463	\$276,451	\$194,691
	\$226,634	\$111,560	\$89,186	\$130,531	\$119,400	\$164,421	\$49,997
	\$85,283	\$301,953	\$324,664	\$266,146	\$234,970	\$472,659	\$201,843
	\$1,717,468	\$601,644	\$556,816	\$924,906	\$645,767	\$1,602,480	\$889,135
	\$84,710	\$23,653	\$100,320	\$14,584	\$76,597	\$214,242	\$284,121
	\$293,118	\$411,973	\$61,147	\$25,937	\$166,606	\$125,127	\$251,617
	\$596,956	\$72,348	\$87,726	\$621,017	\$891,449	\$171,040	\$137,146
	\$61,842	\$13,873	\$9,132	\$119,160	\$9,185	\$69,083	\$41,039
	\$301,118	\$221,152	\$187,807	\$364,058	\$364,058	\$140,517	\$165,706
	\$1,047,653	\$1,010,778	\$2,163,636	\$2,314,602	\$1,768,825	\$1,475,334	\$1,712,543
	\$533,423	\$362,400	\$467,417	\$377,538	\$619,315	\$1,895,479	\$644,756
	\$660,253	\$153,618	\$534,723	\$497,650	\$230,402	\$188,628	\$92,434
	\$81,557	\$28,849	\$81,544	\$11,461	\$30,888	\$101,430	\$65,564
	\$54,964	\$214,426	\$53,210	\$58,810	\$26,910	\$60,937	\$157,673
	\$681,866	\$715,361	\$952,843	\$971,555	\$1,089,933	\$530,921	\$1,272,545
	\$27,312	\$12,246	\$13,285	\$28,612	\$23,796	\$36,619	\$24,089
	\$384,752	\$165,003	\$308,489	\$234,457	\$280,914	\$258,388	\$490,734

Adams to Howard 1992-2006 data on previous page.  
 Counties Jefferson to York data on pages 24-27.

County	FY 1992/1993	FY 1993/1994	FY 1994/1995	FY 1995/1996	FY 1996/1997	FY 1997/1998	FY 1998/1999
<b>Jefferson</b>	\$98,642	\$454,421	\$163,850	\$130,795	\$206,725	\$104,223	\$163,330
<b>Johnson</b>	\$91,413	\$94,770	\$45,690	\$37,459	\$72,499	\$120,451	\$73,653
<b>Kearney</b>	\$133,000	\$281,936	\$161,404	\$130,042	\$94,216	\$484,299	\$195,558
<b>Keith</b>	\$2,629	\$34,470	\$79,080	\$163,320	\$203,945	\$62,406	\$196,026
<b>Keya Paha</b>	\$2,823	\$11,532	\$33,667	\$23,505	\$4,130	\$12,746	\$11,454
<b>Kimball</b>	\$42,964	\$67,967	\$56,116	\$51,470	\$52,005	\$59,317	\$119,697
<b>Knox</b>	\$133,826	\$123,849	\$115,325	\$203,023	\$172,670	\$235,028	\$242,276
<b>Lancaster</b>	\$2,443,765	\$1,571,277	\$1,954,588	\$2,291,039	\$2,958,887	\$2,958,797	\$3,224,766
<b>Lincoln</b>	\$335,614	\$288,752	\$432,801	\$303,824	\$342,378	\$570,101	\$388,183
<b>Logan</b>	\$1,743	\$6,593	\$7,157	\$24,524	\$14,295	\$6,147	\$4,022
<b>Loup</b>	\$11,709	\$15,688	\$20,427	\$8,991	\$9,282	\$8,096	\$9,172
<b>Madison</b>	\$354,425	\$642,407	\$404,930	\$263,109	\$444,896	\$466,076	\$546,914
<b>McPherson</b>	\$2,312	\$46,469	\$22,897	\$14,043	\$11,746	\$11,746	\$943
<b>Merrick</b>	\$139,832	\$157,995	\$160,430	\$147,151	\$74,482	\$217,661	\$175,695
<b>Morrill</b>	\$105,480	\$40,939	\$17,920	\$58,301	\$41,952	\$69,881	\$55,496
<b>Nance</b>	\$43,194	\$81,649	\$19,745	\$43,161	\$108,373	\$119,273	\$137,187
<b>Nemaha</b>	\$114,951	\$86,539	\$130,359	\$69,542	\$84,955	\$136,614	\$193,316
<b>Nuckolls</b>	\$56,801	\$71,399	\$168,407	\$43,572	\$102,836	\$170,949	\$144,424
<b>Otoe</b>	\$227,677	\$268,044	\$270,806	\$197,596	\$1,254,070	\$404,653	\$574,163
<b>Pawnee</b>	\$73,808	\$57,031	\$81,574	\$73,996	\$41,565	\$35,050	\$86,622
<b>Perkins</b>	\$76,850	\$94,008	\$26,309	\$143,999	\$99,781	\$108,199	\$101,299
<b>Phelps</b>	\$225,107	\$283,288	\$416,574	\$160,632	\$212,539	\$396,972	\$226,249
<b>Pierce</b>	\$127,511	\$102,503	\$83,699	\$94,999	\$265,480	\$94,736	\$86,289
<b>Platte</b>	\$334,909	\$303,337	\$407,388	\$269,654	\$511,034	\$482,975	\$406,863
<b>Polk</b>	\$334,907	\$121,314	\$134,428	\$193,226	\$194,389	\$135,073	\$284,553
<b>Red Willow</b>	\$191,037	\$118,691	\$202,513	\$244,121	\$103,683	\$220,405	\$309,469
<b>Richardson</b>	\$258,891	\$194,908	\$65,022	\$271,289	\$215,000	\$223,412	\$156,387
<b>Rock</b>	\$40,621	\$10,098	\$16,811	\$25,151	\$52,400	\$12,061	\$14,975
<b>Saline</b>	\$184,909	\$110,019	\$327,861	\$232,505	\$341,466	\$303,179	\$260,254
<b>Sarpy</b>	\$163,244	\$327,338	\$456,327	\$522,929	\$490,206	\$423,722	\$684,635
<b>Saunders</b>	\$403,188	\$241,635	\$288,297	\$387,984	\$243,675	\$288,712	\$314,763
<b>Scotts Bluff</b>	\$133,426	\$251,349	\$314,949	\$615,831	\$319,205	\$843,931	\$406,732
<b>Seward</b>	\$215,321	\$502,893	\$192,412	\$304,235	\$179,821	\$309,000	\$465,000
<b>Sheridan</b>	\$59,599	\$91,625	\$146,768	\$217,915	\$128,813	\$145,400	\$120,162
<b>Sherman</b>	\$41,946	\$23,771	\$50,745	\$41,575	\$44,905	\$48,190	\$77,208
<b>Sioux</b>	\$19,883	\$51,382	\$17,326	\$15,744	\$80,993	\$39,842	\$46,746
<b>Stanton</b>	\$25,657	\$158,301	\$51,002	\$165,560	\$53,997	\$87,504	\$25,684
<b>Thayer</b>	\$116,853	\$176,742	\$144,365	\$172,158	\$102,048	\$171,779	\$94,836
<b>Thomas</b>	\$4,363	\$3,069	\$1,722	\$591	\$23,094	\$4,990	\$18,047
<b>Thurston</b>	\$118,043	\$58,623	\$72,027	\$19,744	\$43,381	\$42,723	\$208,896
<b>Valley</b>	\$95,746	\$120,136	\$462,284	\$55,312	\$234,674	\$76,418	\$251,546
<b>Washington</b>	\$189,000	\$175,485	\$254,255	\$162,700	\$290,932	\$143,237	\$365,489
<b>Wayne</b>	\$86,654	\$133,127	\$114,636	\$148,117	\$193,933	\$253,442	\$137,530
<b>Webster</b>	\$78,579	\$94,658	\$74,574	\$37,405	\$64,278	\$39,993	\$57,424
<b>Wheeler</b>	\$5,080	\$42,908	\$8,961	\$2,838	\$2,692	\$132,073	\$10,031
<b>York</b>	\$237,517	\$293,073	\$210,784	\$132,347	\$411,599	\$455,460	\$430,947
<b>Totals</b>	\$18,864,844	\$19,086,162	\$20,338,190	\$20,595,667	\$24,586,590	\$24,809,848	\$26,430,969

	FY 1999/2000	FY 2000/2001	FY 2001/2002	FY 2002/2003	FY 2003/2004	FY 2004/2005	FY 2005/2006
	\$206,938	\$110,123	\$260,140	\$102,692	\$250,319	\$124,054	\$28,724
	\$82,900	\$84,370	\$435,906	\$104,990	\$80,603	\$60,425	\$114,624
	\$152,775	\$200,395	\$148,164	\$170,422	\$139,383	\$529,670	\$230,183
	\$76,393	\$260,179	\$155,024	\$79,202	\$103,047	\$219,218	\$8,872
	\$26,444	\$20,157	\$39,534	\$45,775	\$11,570	\$90,135	\$86,011
	\$109,297	\$111,126	\$62,524	\$32,270	\$120,840	\$39,920	\$480,999
	\$139,420	\$197,020	\$160,829	\$115,434	\$237,322	\$237,322	\$2,995,045
	\$2,267,930	\$3,895,045	\$3,706,544	\$3,633,746	\$3,406,675	\$3,607,860	\$458,962
	\$395,045	\$434,338	\$590,381	\$776,915	\$516,180	\$435,490	\$19,037
	\$20,417	\$100,379	\$20,099	\$18,504	\$19,443	\$10,571	\$19,037
	\$6,367	\$54,705	\$43,000	\$55,584	\$7,103	\$11,131	\$13,127
	\$517,901	\$353,909	\$312,382	\$363,482	\$688,168	\$522,473	\$624,049
	\$6,817	\$14,372	\$6,597	\$26,006	\$12,127	\$20,641	\$21,841
	\$148,969	\$206,747	\$145,600	\$410,008	\$139,571	\$110,030	\$421,174
	\$143,060	\$234,416	\$69,983	\$55,538	\$22,501	\$49,199	\$33,663
	\$605,970	\$40,457	\$47,100	\$76,434	\$168,393	\$172,019	\$59,972
	\$242,644	\$124,779	\$163,174	\$160,899	\$356,634	\$177,447	\$120,408
	\$58,264	\$116,792	\$153,031	\$167,477	\$271,647	\$119,011	\$106,660
	\$341,976	\$696,646	\$384,177	\$527,393	\$501,470	\$633,227	\$590,249
	\$55,649	\$249,168	\$79,310	\$118,692	\$112,314	\$88,095	\$64,956
	\$51,757	\$104,258	\$103,438	\$50,712	\$59,283	\$86,687	\$52,504
	\$264,985	\$323,045	\$273,621	\$113,346	\$200,414	\$399,722	\$441,078
	\$88,007	\$200,460	\$119,795	\$233,128	\$240,110	\$262,982	\$225,986
	\$554,995	\$545,756	\$746,399	\$434,633	\$731,129	\$384,081	\$369,095
	\$179,033	\$93,576	\$44,536	\$209,518	\$217,571	\$107,173	\$169,690
	\$157,322	\$323,525	\$196,340	\$176,725	\$223,947	\$225,030	\$170,592
	\$161,587	\$253,089	\$973,000	\$314,438	\$540,529	\$187,129	\$199,585
	\$15,016	\$20,905	\$25,545	\$49,731	\$36,569	\$77,735	\$68,046
	\$382,551	\$333,038	\$296,466	\$293,534	\$198,887	\$334,310	\$401,108
	\$823,378	\$894,516	\$635,952	\$637,054	\$594,915	\$1,076,128	\$975,447
	\$602,731	\$927,488	\$420,524	\$507,471	\$575,141	\$573,963	\$424,054
	\$454,349	\$297,385	\$292,250	\$523,945	\$395,463	\$334,219	\$285,523
	\$474,925	\$627,000	\$210,000	\$309,000	\$352,000	\$330,000	\$499,887
	\$137,119	\$214,329	\$123,293	\$86,058	\$211,378	\$59,011	\$216,158
	\$15,847	\$25,661	\$63,698	\$73,458	\$54,696	\$55,726	\$106,519
	\$15,000	\$17,619	\$17,033	\$13,879	\$10,410	\$50,000	\$20,157
	\$99,412	\$67,402	\$118,969	\$109,539	\$150,980	\$85,035	\$142,355
	\$199,417	\$278,934	\$152,066	\$188,212	\$149,520	\$175,000	\$300,140
	\$30,256	\$79,385	\$82,747	\$4,209	\$17,004	\$4,822	\$12,386
	\$165,490	\$80,941	\$668,294	\$108,776	\$72,939	\$172,889	\$121,559
	\$89,797	\$108,077	\$132,494	\$277,345	\$287,403	\$200,000	\$81,638
	\$287,595	\$132,060	\$337,204	\$268,046	\$597,413	\$245,525	\$322,307
	\$123,101	\$159,115	\$198,050	\$149,504	\$283,752	\$79,226	\$142,074
	\$85,848	\$45,606	\$132,078	\$66,649	\$49,814	\$54,111	\$100,325
	\$21,369	\$6,600	\$7,528	\$2,848	\$5,407	\$20,860	\$21,377
	\$274,822	\$275,301	\$349,730	\$510,025	\$654,989	\$245,830	\$415,983
	\$28,528,031	\$30,300,551	\$29,634,632	\$29,564,705	\$30,717,639	\$30,661,901	\$37,442,428

Jefferson to York 2007-2020 data continued on next page.  
 Counties Adams to Howard data on pages 20-23.



County	FY 2006/2007	FY 2007/2008	FY 2008/2009	FY 2009/2010	FY 2010/2011	FY 2011/2012	FY 2012/2013
<b>Jefferson</b>	\$322,189	\$330,886	\$161,480	\$643,111	\$1,070,430	\$560,424	\$452,877
<b>Johnson</b>	\$138,889	\$135,141	\$216,884	\$84,933	\$94,166	\$164,339	\$102,257
<b>Kearney</b>	\$243,200	\$257,423	\$155,444	\$279,142	\$286,768	\$332,839	\$953,661
<b>Keith</b>	\$116,300	\$166,113	\$24,387	\$11,614	\$74,327	\$432,008	\$137,664
<b>Keya Paha</b>	\$28,393	\$33,476	\$170,169	\$189,559	\$155,326	\$31,151	\$14,878
<b>Kimball</b>	\$91,027	\$85,376	\$26,172	\$66,664	\$35,927	\$44,072	\$152,675
<b>Knox</b>	\$145,680	\$263,273	\$420,996	\$275,698	\$744,289	\$473,735	\$429,397
<b>Lancaster</b>	\$3,661,348	\$4,250,078	\$6,196,893	\$4,631,373	\$6,685,528	\$8,185,277	\$8,565,596
<b>Lincoln</b>	\$705,080	\$1,184,181	\$424,168	\$667,006	\$456,356	\$679,901	\$1,004,961
<b>Logan</b>	\$18,036	\$8,112	\$6,836	\$50,182	\$7,644	\$78,053	\$4,990
<b>Loup</b>	\$9,816	\$5,324	\$379	\$16,284	\$36,810	\$24,092	\$11,597
<b>Madison</b>	\$531,530	\$680,262	\$914,720	\$553,560	\$1,007,978	\$868,724	\$957,992
<b>McPherson</b>	\$14,332	\$24,532	\$56,181	\$21,297	\$34,949	\$5,935	\$2,409
<b>Merrick</b>	\$172,483	\$252,566	\$339,408	\$133,420	\$196,732	\$128,317	\$621,891
<b>Morrill</b>	\$43,046	\$111,914	\$54,781	\$41,505	\$16,410	\$71,445	\$132,786
<b>Nance</b>	\$107,633	\$171,085	\$77,180	\$71,495	\$52,695	\$370,196	\$1,027,349
<b>Nemaha</b>	\$204,346	\$231,473	\$326,934	\$227,137	\$281,361	\$721,962	\$1,175,559
<b>Nuckolls</b>	\$194,637	\$172,940	\$254,022	\$708,810	\$83,079	\$84,687	\$278,274
<b>Otoe</b>	\$330,998	\$369,982	\$479,553	\$493,090	\$710,675	\$777,223	\$604,355
<b>Pawnee</b>	\$144,195	\$176,953	\$239,921	\$573,828	\$199,970	\$226,230	\$141,854
<b>Perkins</b>	\$60,188	\$246,129	\$78,950	\$82,967	\$48,946	\$126,092	\$468,978
<b>Phelps</b>	\$247,577	\$713,076	\$272,543	\$363,648	\$265,767	\$1,497,359	\$267,181
<b>Pierce</b>	\$149,659	\$111,379	\$102,047	\$252,145	\$137,548	\$191,884	\$371,011
<b>Platte</b>	\$607,580	\$858,684	\$663,145	\$44,622	\$2,831,975	\$1,086,465	\$755,389
<b>Polk</b>	\$162,488	\$123,988	\$216,767	\$233,318	\$332,311	\$939,088	\$255,398
<b>Red Willow</b>	\$112,603	\$305,221	\$444,959	\$262,009	\$151,147	\$425,038	\$292,475
<b>Richardson</b>	\$316,228	\$311,518	\$293,143	\$235,391	\$621,960	\$296,300	\$922,724
<b>Rock</b>	\$27,676	\$134,141	\$62,878	\$89,832	\$29,976	\$231,138	\$40,696
<b>Saline</b>	\$410,948	\$562,157	\$500,880	\$872,385	\$364,517	\$705,157	\$767,301
<b>Sarpy</b>	\$1,110,161	\$1,643,992	\$1,646,612	\$915,833	\$1,312,093	\$1,125,918	\$1,496,925
<b>Saunders</b>	\$701,454	\$851,325	\$1,015,844	\$457,579	\$444,458	\$673,959	\$1,277,070
<b>Scotts Bluff</b>	\$445,271	\$309,726	\$595,019	\$300,346	\$332,759	\$543,208	\$893,440
<b>Seward</b>	\$381,082	\$411,000	\$618,016	\$366,053	\$1,003,106	\$895,765	\$643,677
<b>Sheridan</b>	\$80,122	\$88,776	\$69,948	\$362,790	\$273,222	\$250,819	\$220,120
<b>Sherman</b>	\$111,242	\$186,429	\$112,261	\$179,541	\$231,019	\$105,596	\$59,008
<b>Sioux</b>	\$87,862	\$60,550	\$21,359	\$37,068	\$27,142	\$28,392	\$40,587
<b>Stanton</b>	\$162,300	\$135,997	\$101,423	\$179,697	\$408,792	\$75,881	\$215,911
<b>Thayer</b>	\$311,028	\$278,571	\$630,012	\$496,713	\$154,095	\$170,588	\$587,073
<b>Thomas</b>	\$7,892	\$1,071	\$40,106	\$24,715	\$29,352	\$9,999	\$22,653
<b>Thurston</b>	\$1,220,190	\$233,375	\$158,686	\$87,700	\$109,055	\$317,642	\$395,255
<b>Valley</b>	\$180,097	\$80,798	\$98,983	\$72,607	\$338,500	\$105,450	\$230,587
<b>Washington</b>	\$322,022	\$300,477	\$350,688	\$572,268	\$412,267	\$1,116,046	\$494,149
<b>Wayne</b>	\$212,997	\$599,161	\$262,988	\$340,424	\$233,888	\$445,089	\$390,829
<b>Webster</b>	\$75,678	\$66,665	\$79,971	\$283,290	\$221,914	\$90,263	\$481,004
<b>Wheeler</b>	\$49,451	\$69,813	\$3,344	\$22,274	\$21,917	\$3,759	\$38,823
<b>York</b>	\$662,461	\$265,215	\$449,133	\$413,905	\$432,528	\$830,710	\$693,466
<b>Totals</b>	\$34,499,270	\$41,801,411	\$41,986,622	\$39,587,130	\$48,193,929	\$56,428,094	\$58,771,971

	FY 2013/2014	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017/2018	FY 2018/2019	FY 2019/2020
	\$488,328	\$356,589	\$926,406	\$238,102	\$184,335	\$668,239	\$384,863
	\$363,477	\$254,510	\$168,145	\$297,058	\$259,320	\$329,384	\$211,590
	\$620,633	\$362,053	\$206,192	\$591,471	\$543,066	\$449,974	\$235,966
	\$102,969	\$528,318	\$100,527	\$320,970	\$118,094	\$805,930	\$110,750
	\$174,803	\$77,525	\$33,937	\$32,170	\$59,389	\$17,753	\$275,206
	\$190,832	\$139,603	\$162,589	\$96,654	\$95,945	\$151,305	\$114,000
	\$661,731	\$307,295	\$548,084	\$389,427	\$611,117	\$371,626	\$242,610
	\$4,135,546	\$5,204,908	\$6,376,031	\$5,727,677	\$5,103,454	\$9,190,842	\$6,569,801
	\$1,393,760	\$1,214,906	\$1,284,272	\$934,870	\$990,907	\$1,283,663	\$695,870
	\$43,196	\$669	\$43,321	\$40,152	\$272,560	\$83,814	\$12,227
	\$550,858	\$19,401	\$34,185	\$36,936	\$46,749	\$1,734,199	\$209,988
	\$857,560	\$1,260,192	\$804,158	\$765,547	\$1,061,164	\$886,408	\$1,296,189
	\$50,500	\$33,111	\$41,817	\$75,723	\$19,116	\$18,775	\$7,230
	\$309,089	\$315,873	\$260,937	\$266,368	\$345,996	\$424,048	\$477,126
	\$381,221	\$117,731	\$32,635	\$76,219	\$183,118	\$94,306	\$35,788
	\$314,849	\$628,473	\$231,925	\$337,244	\$353,519	\$134,131	\$338,783
	\$266,439	\$314,316	\$377,662	\$356,094	\$173,144	\$207,651	\$223,876
	\$617,676	\$336,857	\$167,188	\$892,330	\$695,298	\$174,577	\$313,039
	\$856,452	\$1,225,841	\$716,833	\$775,324	\$1,115,599	\$610,663	\$797,148
	\$1,132,810	\$236,846	\$172,774	\$150,837	\$141,718	\$398,711	\$79,952
	\$191,620	\$233,063	\$295,193	\$182,007	\$180,537	\$174,484	\$357,518
	\$746,268	\$1,943,844	\$1,438,832	\$912,679	\$1,061,465	\$821,380	\$401,166
	\$1,540,544	\$528,997	\$701,811	\$297,685	\$216,194	\$440,183	\$373,130
	\$1,086,611	\$959,824	\$1,358,339	\$1,742,851	\$993,891	\$1,180,371	\$1,355,342
	\$979,792	\$1,157,822	\$615,041	\$739,925	\$383,553	\$301,662	\$409,479
	\$367,421	\$443,892	\$330,632	\$302,229	\$413,839	\$241,989	\$225,296
	\$567,089	\$464,866	\$601,833	\$340,570	\$711,139	\$1,018,901	\$425,346
	\$69,366	\$105,493	\$286,702	\$118,115	\$129,199	\$49,033	\$51,029
	\$1,367,794	\$636,382	\$498,484	\$1,001,602	\$3,094,610	\$678,036	\$946,379
	\$1,946,169	\$1,048,339	\$1,843,717	\$2,032,532	\$2,064,876	\$2,064,877	\$4,607,241
	\$722,200	\$2,864,238	\$1,433,329	\$2,069,738	\$1,169,154	\$881,411	\$832,914
	\$81,758	\$801,674	\$547,818	\$1,834,052	\$842,814	\$637,910	\$393,414
	\$1,805,477	\$1,300,511	\$956,671	\$878,564	\$625,137	\$1,438,228	\$514,120
	\$86,621	\$334,209	\$255,074	\$165,422	\$307,158	\$192,348	\$354,197
	\$253,158	\$137	\$314	\$431	\$52,348	\$409	\$353
	\$115,070	\$130,328	\$73,708	\$37,174	\$52,828	\$377,260	\$16,319
	\$797,587	\$160,844	\$1,094,335	\$289,736	\$312,920	\$281,846	\$293,446
	\$845,528	\$698,776	\$469,518	\$824,516	\$307,125	\$567,337	\$432,055
	\$16,725	\$4,362	\$31,777	\$41,595	\$63,422	\$5,621	\$4,166
	\$225,147	\$125,826	\$561,302	\$276,315	\$506,557	\$355,293	\$246,893
	\$242,506	\$423,998	\$260,000	\$25,545	\$115,000	\$295,848	\$299,125
	\$879,454	\$463,531	\$493,337	\$939,790	\$1,155,848	\$1,245,861	\$732,542
	\$346,172	\$815,289	\$1,374,623	\$418,143	\$577,177	\$566,425	\$794,653
	\$225,326	\$165,477	\$776,623	\$199,739	\$166,241	\$205,018	\$288,238
	\$79,915	\$154,010	\$30,353	\$55,614	\$134,601	\$39,627	\$7,026
	\$1,311,985	\$1,164,534	\$682,354	\$1,548,671	\$943,668	\$2,089,673	\$629,101
	\$70,974,337	\$66,731,359	\$69,083,168	\$64,333,185	\$70,455,835	\$73,701,352	\$63,099,720

Jefferson to York 1992-2006 data on previous page.  
 Counties Adams to Howard data on pages 24-27.

CHAPTER 54.

(House Roll No. 364.)

[Introduced by Mr. Hawxby.]

AN ACT to tax gifts, legacies and inheritances in certain cases and to provide for the collection of the same.

*Be it Enacted by the Legislature of the State of Nebraska:*

SECTION 1. All property, real, personal and mixed which shall pass by will or by the intestate laws of this state from any person who may die seized or possessed of the same while a resident of this state, or, if decedent was not a resident of this state at the time of his death, which property or any part thereof shall be within this state, or any interest therein or income therefrom, which shall be transferred by deed, grant, sale or gift made in contemplation of the death of the grantor, or bargainor or intend to take effect, in possession or enjoyment after such death, to any person or persons or to any body politic or corporate, in trust or otherwise, or by reason thereof any person or body corporate shall become beneficially entitled in possession or expectation to any property or income thereof, shall be and is subject to a tax, at the rate hereinafter specified to be paid to the treasurer of the proper county for the use of the state, and all heirs, legatees, and devisees administrators, executors and trustees shall be liable for any and all such taxes until the same shall have been paid as hereinafter directed. When the beneficial interests to any property or income therefrom shall pass to or for the use of any father, mother, husband, wife, child, brother, sister, wife or widow of the son, or husband of the daughter, or any child or children adopted as such in conformity with the laws of the state of Nebraska, or to any person to whom the deceased for not less than ten years prior to death stood in the acknowledged relation of a parent, or to any lineal descendant born in lawful wedlock, in every such case the rate of tax shall be one dollar on every one hundred dollars of the clear market value of such property re-

ceived by each person, and at the same rate for every less amount; provided, that any estate which may be valued at a less sum than ten thousand dollars shall not be subject to any such duty or the taxes, and the taxes to be levied in the above case only upon the excess of ten thousand dollars received by each person; when the beneficial interests to any property or income therefrom shall pass to or for the use of any uncle, aunt, niece, nephew, or other lineal descendant of the same, in every such case the rate of such tax shall be two dollars on every one hundred dollars of the clear market value of such property received by each person on the excess of two thousand dollars so received by each person; In all other cases the rate shall be as follows: on each and every hundred dollars of the clear market value of all property and at the same rate for any less amount, two dollars; on all estates of ten thousand dollars and less, three dollars; on all estates of over ten thousand dollars not exceeding twenty thousand dollars, four dollars; on all estates of over twenty thousand dollars and not exceeding fifty thousand dollars, five dollars; and on all estates over fifty thousand dollars, six dollars; provided that an estate in the above case which may be valued at a sum less than five hundred dollars shall not be subject to any duty or tax.

SECTION 2. When any person shall bequeath or devise any property or interest therein or income therefrom to mother, father, husband, wife, brother, or sister, the widow of the son, or the lineal descendant, during the life or for a term of years with remainder to the collateral heir of the decedent, or to the stranger in blood or to a body corporate at their decease on the expiration of such term, the said life estate or estates for a term of years shall be subject to the tax prescribed in Section 1, and the property so passing shall be appraised immediately after the death at what was the fair market value thereof at the time of the death of the decedent in the manner hereinafter provided, and after deducting therefrom the value of said life estate, or term of years, the tax prescribed by this act on the remainder shall be immediately due and payable to

## Endnotes

- 1 Ebeling, Ashlea (Jan. 15, 2021). “State Death Tax Hikes Loom: Where Not To Die in 2021” Forbes, <https://www.forbes.com/sites/ashleaebeling/2021/01/15/state-death-tax-changes-loom-where-not-to-die-in-2021/?sh=2a8cd43944cd>.
- 2 Wagner, Richard (1993). “Federal Transfer Taxation: A Study in Social Cost”, Institute for Research on the Economics of Taxation Fiscal Issue No. 8. ; Walczak, Jared (July 17, 2017). “State Inheritance and Estate Taxes: Rates, Economic Implications, and the Return of Interstate Competition”. Tax Foundation Special Report No. 235.
- 3 Birmingham, Edward (1968). “Nebraska Inheritance and Estate Taxes,” Creighton Law Review 2, no. 2: 284-294
- 4 P.L. 107-16, § 531 and § 532. Generally, the maximum allowable credit was the lesser of the net tax paid to the State or the statutory ceiling of 26 U.S.C. § 2011(b) (a percentage of the taxable estate minus \$60,000). Many States used the maximum credit allowed under § 2001(b) to constitute the State’s estate and/or inheritance tax.
- 5 LB367-2007 repealed the estate tax dying on or after January 1, 2007. Prior to enactment of LB367, Nebraska levied a graduated estate tax, beginning at 5.6 percent on estates of less than \$100,000 and increasing to 16.8 percent on estates over \$9 million.
- 6 Neb. Rev. St. § 77-2001.
- 7 West, Max (1908). *The inheritance tax*. Columbia University Press, the Macmillan Company, agents, pages 87-96
- 8 Pollack, Sheldon D. “Origins of the Modern Income Tax, 1894-1913.” Tax Lawyer, vol. 66, no. 2, Winter 2013, p. 295-330.
- 9 West, Max (1908). *The inheritance tax*. Columbia University Press, the Macmillan Company, agents, page 125.
- 10 Magoun vs. Illinois Trust and Savings Bank et al., 170 U.S. 283 (April 25, 1898).
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