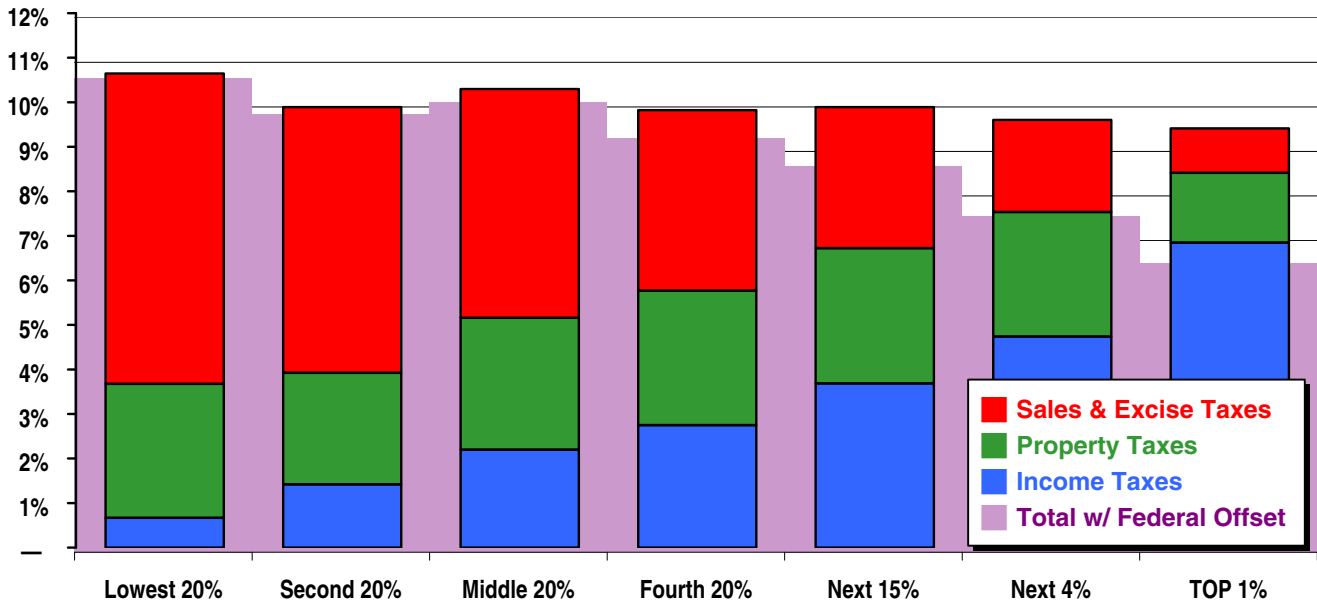


Nebraska

State & Local Taxes in 2002

Shares of family income for non-elderly taxpayers



Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$17,000	\$17,000 – \$28,000	\$28,000 – \$42,000	\$42,000 – \$64,000	\$64,000 – \$111,000	\$111,000 – \$299,000	\$299,000 or more
Average Income in Group	\$8,800	\$21,500	\$34,300	\$52,300	\$81,500	\$165,300	\$800,100
Sales & Excise Taxes	7.0%	6.0%	5.1%	4.1%	3.2%	2.1%	1.0%
General Sales—Individuals	4.0%	3.6%	3.1%	2.6%	2.0%	1.4%	0.7%
Other Sales & Excise—Ind.	1.0%	0.6%	0.6%	0.4%	0.3%	0.2%	0.0%
Sales & Excise on Business	2.0%	1.8%	1.4%	1.1%	0.8%	0.5%	0.3%
Property Taxes	3.0%	2.5%	3.0%	3.0%	3.0%	2.8%	1.6%
Property Taxes on Families	2.9%	2.3%	2.8%	2.9%	2.7%	2.4%	0.7%
Other Property Taxes	0.1%	0.2%	0.1%	0.1%	0.3%	0.4%	0.8%
Income Taxes	0.7%	1.4%	2.2%	2.7%	3.7%	4.7%	6.8%
Personal Income Tax	0.7%	1.4%	2.2%	2.7%	3.6%	4.7%	6.7%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
TOTAL TAXES	10.6%	9.9%	10.3%	9.8%	9.9%	9.6%	9.4%
Federal Deduction Offset	-0.0%	-0.1%	-0.2%	-0.5%	-1.2%	-2.0%	-2.9%
TOTAL AFTER OFFSET	10.6%	9.8%	10.1%	9.3%	8.7%	7.6%	6.5%

Note: Table shows 2002 tax law at 2000 income levels.

Nebraska Details

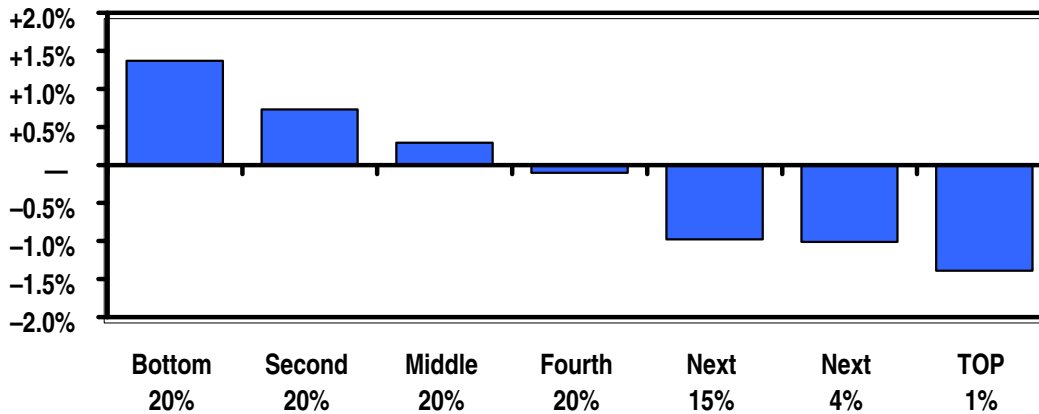
Progressive Features

- ✓ Income tax breaks phased out at high incomes
- ✓ Refundable child care credit
- ✓
- ✓

Regressive Features

- ✗ Consumption taxes relatively high
- ✗
- ✗
- ✗

Changes in Tax as Share of Income, 1989 - 2002

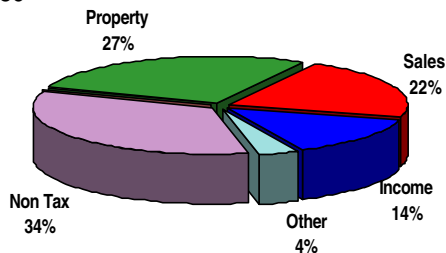


	Bottom 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Sales & Excise	+0.8%	+0.6%	+0.5%	+0.4%	+0.3%	+0.2%	+0.1%
Property	+0.5%	-0.0%	-0.4%	-0.5%	-1.2%	-0.4%	-0.5%
Income	+0.1%	+0.2%	+0.3%	+0.1%	+0.2%	-0.1%	+0.4%
Federal Offset	+0.0%	-0.0%	-0.1%	-0.1%	-0.3%	-0.7%	-1.5%
Overall Change	+1.4%	+0.7%	+0.3%	-0.1%	-1.0%	-1.0%	-1.4%

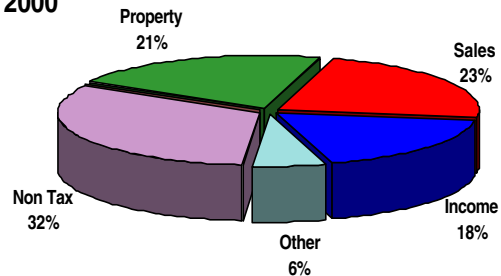
Nebraska's income tax is one of the most progressive in the nation. Standard deductions and personal exemption credits are phased out completely for high-income taxpayers, as are the benefits of the lower tax rates. All of these progressive features were added during the 1990s. However, the state has also raised its regressive sales tax 1.5 percent since 1989.

Composition of Revenues

1989



2000



Source: Government Finances, US Department of Census