

(Neb.)-Lawmakers Introduce Governor Heineman's Tax Proposals

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LINCOLN, Neb. (AP) - Lawmakers have introduced two tax reform measures championed by Nebraska Gov. Dave Heineman.

State Sens. Beau McCoy and Brad Ashford, both of Omaha, submitted the proposals on Tuesday. One option would eliminate the state's income tax and make up the lost revenue by ending \$2.4 billion in state sales tax exemptions.

The other would reduce the amount of income taxes paid by retirees, while getting rid of about \$395 million in sales tax exemptions.

Heineman, a Republican, argued in his State of the State address that Nebraska's current tax system is outdated and needs an overhaul. Many of the sales-tax exemptions now on the books were enacted in 1967.

Heineman has said he wants a public debate about the exemptions, though he opposes lifting a sales tax exemption for food.