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#### Committee Meeting Concerning Elimination of Nebraska Income Tax

(AP) ( KLZA) - The idea of eliminating the state income tax remains alive as the Nebraska Tax Modernization Committee continued its review of tax policy.

Earlier this year Gov. Dave Heineman proposed eliminating or reducing the state's income tax. He pulled back the idea after a torrent of criticism about new taxes that would have replaced the revenue lost.

State Sen. Galen Hadley, of Kearney, says he wants Nebraska to keep its income tax. He says Nebraska's overall tax rates are not far out of step with other states, and a major overhaul might not be needed.

Sen. Pete Pirsch, of Omaha, says legislators would have to find \$2.5 billion in new taxable transactions to make up for the loss of income tax.

Associated Press