

# THE SIMPLE TRUTH ABOUT THE EPIC OPTION CONSUMPTION TAX

## What is being proposed?

### Two Constitutional Amendments:

- 1) Beginning January 1, 2026, no governmental entity in the State of Nebraska may impose taxes other than retail consumption taxes or excise taxes.
- 2) Beginning January 1, 2026, the State of Nebraska shall impose a retail consumption tax or an excise tax on all new goods and services, and the Legislature may authorize political subdivisions to do the same. There shall be no exemption from such taxes except for grocery items purchased for off-premises consumption.

## What does this mean?

If approved by voters, the Legislature must comply with the Constitution. Simply stated, Nebraska will be required to impose a consumption tax or an excise tax on ALL new goods and services. The only exception allowed under the proposed constitutional language is for "grocery items."

## If it isn't allowed in the Constitutional language, it can't be done!

- There is no "business to business" exemption. This includes purchases by all businesses. Ranchers, Farmers, Medical Facilities, Small Businesses and Large Corporations will all be taxed on purchases of new goods and services. This includes equipment, new buildings, repairs, and operational related services.
- Seniors will be required to pay tax on healthcare and medication, assisted living and long-term care expenses.
- Families will be required to pay tax on daycare, healthcare services, medication, rent, mortgage services, home repair services, and other regular expenses.
- Students will be required to pay tax on tuition, books, housing, even food eaten at the dorm or cafeteria.
- Non-profits and governmental entities will be required to pay taxes on all new goods and services purchased.

*The only true winners under the EPIC proposals are absentee landowners. They will pay no taxes in Nebraska which means they won't contribute anything to our infrastructure. They will benefit from the value of their property and leave the rest of us to pay.*

## ? 7.5% ?

Multiple studies show that the actual rate will need to be more than **20%**

(See TaxFoundation.org or Openskypolicy.org)

The Beacon Hill Study has multiple flaws:

- Includes revenue from governmental entities but doesn't account for the payment of those taxes
- Includes revenue that can't be collected, including internet access and airfare
- Ignores impact of tax avoidance and border bleed
- "Dynamic" model assumes consumer spending would increase by 138%

(See Epicoption.org)

## **LOCAL CONTROL WILL BE ELIMINATED!**

All tax revenue will go to the State Treasurer in Lincoln. The Legislature will make all budget decisions for your county, city or village, school district, NRD and fire district.

## **LB79 is GONE!**

LB79 was introduced in 2023 and will die at the end of the 2024 Legislative Session. If approved by voters, the consumption tax will have to be implemented by the 2025 Legislature.

In addition to the constitutional problems with the ideas in LB79, there is no guarantee that senators would adopt any of it. **Implementation statutes should be in place before any radical changes are made to our Constitution!**

## **DON'T LET NEBRASKA MAKE AN EPIC MISTAKE**

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