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Modest Growth Amid Fiscal And Monetary Contraction

Nebraska Business Forecast Council

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MODEST GROWTH AMID FISCAL AND MONETARY CONTRACTION

By the Nebraska Business Forecast Council

U.S. Macroeconomic Outlook

The U.S. economy continues to grow at a steady, moderate pace. But, important changes underlie this growth. Federal discretionary spending is contracting while the private economy is growing and continuing its transformation and recovery. A transformation is occurring towards an economy with larger energy and technology sectors and growing manufacturing and agricultural exports. There is also a recovery in the housing sector. This recovery is driving growth in construction employment, household durable goods sales, the home improvement market, the real estate sector and the financial services sector.

Steady employment growth and recent improvements in hourly wages also are supporting modest expansion in overall consumer spending. Further, nascent recovery in the European economy will encourage renewed growth in business investment over the next few years. Yet, a variety of public policy issues are holding back even faster private sector growth. Bond purchases by the Federal Reserve Bank will be curtailed late this year as the federal government completes fiscal contraction via its Sequester budget cuts. Declining bond purchases will replace the current fiscal drag with a monetary drag on growth. Both efforts are required for long-term macroeconomic stability and investor confidence but will provide a modest drag on current growth.

Other policy choices may reduce growth in both the short- and long-run. Continued implementation of Dodd-Frank financial regulations and the Affordable Care Act will reduce the expansion of business activity and employment, though the precise magnitude of this reduction is unknown. Just as significantly, economic growth may suffer going forward if political leaders fail to act in a number of areas. There is a need to implement reforms to entitlement programs, and to simplify the U.S. tax code. Lowering tax rates and eliminating tax loop holes would both increase and rationalize the allocation of capital. There is also a need to encourage supply-side growth in the U.S. economy through promoting a rational expansion of legal immigration. There are a variety of competing and worthwhile proposal in all three of these areas. Postponing or avoiding these reforms will reduce both current and long-term economic growth.

Over the next three years, real GDP growth rate is expected to reach 2.1% in 2013, 2.5% in 2014 and 2.5% in 2015. Job growth will reach 1.6% in 2013, 1.7% in 2014, and 1.7% in 2015, as the pace of job growth accelerates. Unemployment will continue to decline steadily but will remain high enough to relieve inflationary pressures. Inflation will rise slowly over time, reaching 1.6% in 2013 and 1.8% in 2014 before returning to the Federal Reserve target rate of 2.0% in 2015.

Nebraska Outlook

Table 1 summarizes the Nebraska economic outlook. Job growth is expected to improve steadily, helping the state maintain its low unemployment rate. Note that after a big drop in 2012, farm income will stabilize during the 2013 to 2015 period.

Table 1— Key Economic Growth Rates

	Nonfarm Employment	Nonfarm Personal Income (nominal)	Net Farm Income (nominal)
2012	1.4%	4.0%	-27.6%
2013	1.3%	2.2%	-3.7%
2014	1.5%	4.4%	-3.8%
2015	1.6%	4.6%	0.0%

Note: Nominal income growth includes inflation.

There was solid nonfarm income growth in Nebraska during 2012. Nominal growth reached 4.0%, nearly 2% above the inflation rate of 2.1%. However, the rate of nonfarm income growth is expected to fall in 2013. This slowdown results from the expiration of the temporary cut in the payroll tax rate (for social security contributions) on January 1, 2013. The additional taxes paid will subtract from income. Non-farm income growth will bounce back in 2014 and 2015 as the effect of the tax change dissipates and job growth improves.

Employment

Table 2 compares the current forecast for nonfarm employment with our previous forecast from February 2013. The comparison shows an improvement in 2012 job growth. The U.S. Department of Labor issued revisions to state employment estimates in March 2013. Those revisions showed that job growth had been faster in 2012 than initially forecast, particularly in the finance and transportation industries. The outlook for job growth, however, has remained unchanged between the February and current forecast. Job growth of 1.3% is still anticipated for 2013, and growth is expected to steadily improve in 2014 and 2015.

Table 2— Comparison of Non-Farm Employment Forecasts

	February 2013 Forecast	Current Forecast
2012	0.9%	1.4%
2013	1.3%	1.3%
2014	1.5%	1.5%
2015	NA	1.6%

Construction and Mining

The Nebraska economy continues to benefit from a recovery in housing. Both building permits and housing starts are continuing to rise this year and are expected to rise in 2014 and 2015 as well. This is expected because new construction must continue to rise to help supply keep pace with new household formation in the state. Rising interest rates may reduce the rate of growth but will not reverse this trend. As construction activity expands, solid job growth is also anticipated in the residential construction sector. Growth will be more subdued in the commercial construction sector, however. Small, private commercial developments will accompany growth in housing; though in many cases existing vacant commercial properties will be filled in new neighborhoods before additional capacity is built. At the same time, a number of major commercial construction projects will wind-down at the end of 2013, particularly in the Lincoln area. At the same time, new infrastructure spending is expected to contribute to construction growth in 2014 and 2015, as the State of Nebraska begins projects funded by general sales tax revenues which have been earmarked for roads. The specific forecast is that construction employment will grow by 3.5% (1,500 jobs) in 2013 and by 4.0% (1,800 jobs) in both 2014 and 2015.

Manufacturing

Manufacturing will likely experience slower growth in 2013 than in 2012. After five months of solid performance ending in February, 2013, the manufacturing sector entered a period of slow growth and declining employment. Weakening export demand, especially in Europe; slower growth in domestic demand; and uncertainty about the impact of healthcare regulations are cited as reasons for the sector's poor performance in early 2013. Manufacturing's slow growth is expected to continue at least into the third quarter of 2013. Looking forward to 2014 and 2015, the global and U.S. economies are expected to experience slow but improving growth in output and employment. The automobile industry appears to have reached a plateau and will be a marginal contributor to growth but the energy sector will continue to be a major driver of demand, especially demand for durable goods.

Table 3—Number of Nonfarm Jobs and Percent Changes by Industry Annual Averages (in thousands of jobs)

	Nonfarm Total	Construction, Mining & Natural Resources	Durables	Non-durables	Wholesale Trade	Retail Trade	Trans-portation and Utilities	Inform-ation	Financial	All Services	Federal Gov't	Local Gov't
2000	910.7	45.0	58.7	55.2	41.7	111.2	44.9	26.8	60.3	312.5	16.6	137.9
2001	916.8	45.3	54.7	56.3	42.5	110.5	45.2	25.8	60.2	319.5	16	140.8
2002	908.1	46.1	50.6	55.5	41.5	108.9	44.9	23.2	61.4	317.1	16.3	142.6
2003	910.5	47.4	47.3	55.1	41.0	107.2	46.4	21.5	62.4	322.6	16.7	142.9
2004	917.7	48.4	47.0	54	40.8	106.9	48.9	21.1	63.2	327.4	16.5	143.4
2005	930.2	47.8	48.4	52.9	40.6	107.2	52.3	20.2	64.5	335.2	16.3	144.7
2006	941.5	48.4	49.7	51.8	40.8	106.4	53.4	19.5	66.7	342.9	16.2	145.9
2007	957.4	50.5	50.0	51.4	41.1	107.5	56.2	19.4	68.7	350.3	15.9	146.5
2008	965.0	50.1	49.3	52.1	42.0	107.0	56.1	18.7	69.2	356.5	16.1	147.8
2009	944.6	47.1	42.6	50.6	41.2	104.4	52.6	17.5	68.4	351.7	16.5	152.0
2010	940.1	42.6	41.4	50.3	40.6	103.9	51.3	17.0	68.9	354.4	17.3	152.3
2011	946.6	41.5	42.5	50.9	40.8	104.8	52.2	17.0	70.1	358.7	16.6	151.5
2012	960.3	42.9	43.8	51.3	41.3	105.2	52.7	17.2	70.9	366.6	16.7	151.7
Forecast Number												
2013	973.0	44.4	44.2	51.8	41.4	105.5	53.8	17.1	71.8	373.9	16.5	152.5
2014	987.7	46.2	44.6	52.3	41.5	105.9	55.0	17.1	72.8	382.5	16.4	153.2
2015	1,003.9	48.0	45.8	52.7	41.7	106.4	56.7	17.2	73.9	392.1	16.2	154.1
Forecast Number												
2013	1.3%	3.5%	1.0%	1.0%	0.2%	0.3%	2.0%	-0.5%	1.3%	2.0%	-1.0%	0.5%
2014	1.5%	4.0%	0.8%	1.0%	0.3%	0.4%	2.4%	0.0%	1.4%	2.3%	-1.0%	0.5%
2015	1.6%	4.0%	0.5%	0.8%	0.5%	0.4%	3.0%	0.5%	1.5%	2.5%	-1.0%	0.6%

Source: http://data.bls.gov/cgi-bin/dsrv, 2013

In Nebraska, the state's food processing industry is expected to see steady growth due mainly to increased demand from and investment by foreign markets. Nebraska manufacturing industries that sell primarily to the region's farm sector are likely to see some drop off in sales as farm incomes return to more normal levels after a record year in 2011, though this adjustment process is already underway. The ethanol industry continues to adjust to poor margins and stagnant demand. The permanent closing of the Ag Processing Inc. Hastings facility is an indication of the industry's continuing problems. Overall, the state will benefit from increased foreign demand for food products and strong growth in the energy sector. Nebraska's manufacturing sector is expected to achieve steady, moderate growth in 2013 as well as in 2014 and 2015.

This mixed picture reflects the diversity of local, national and international issues that face our state's internationally competitive manufacturing industry. Non-durable goods employment is expected to rise at or near 1.0% per year, with employment rising by 500 jobs in 2013 and 2014 and 400 jobs in 2015. Durable goods employment is expected to grow by 1.0% in 2013 but by just 0.8% in 2014 and 0.5% in 2015.

Transportation and Utilities

Transportation is a pro-cyclical industry, meaning employment falls sharply during recession and rises during economic recovery. Sector employment declined sharply during 2009 and few jobs were added between 2010 and 2012. Growth will return in 2013 and continue in 2014 and 2015 as the economy recovers. Underlying trends also support growth due to Nebraska's location on the I-80 corridor, low entry costs, skilled workforce, available educational training programs, and entrepreneurial tradition in transportation.

However, the growth rate for this sector is expected to moderate in the future due to difficulty in finding and retaining workers. Driver retention is a particularly challenging issue in the trucking sector. Among individual sectors, warehousing employment is expected to grow. Both the trucking and rail sectors also are expected to grow as industrial activity expands across the United States. Transportation employment will gain momentum with the economy, expanding by 2.0% in 2013, 2.4% in 2014 and 3.0% in 2015.

Wholesale Trade

Wholesale trade employment has followed a unique pattern over the last decade. Given the industry's rising labor productivity, the long-term employment trend in the wholesale industry is flat. Employment rises and falls from year to year. Trends in the industry may be hard to identify because many wholesale businesses are tied to wider regional markets as well as the local markets within the state. This means growth in industry activity from year to year will depend on the ability of Nebraska businesses to maintain and gain customers from their regional competitors. Wholesale trade employment rose by 500 jobs in 2012 and employment is approaching its pre-recession high of 42,000. We expect the industry to add just a few hundred jobs over the next 3 years. Wholesale trade employment will grow by 0.2% in 2013, 0.3% in 2014 and 0.5% in 2014.

Retail Trade

Retail trade employment grew by 0.4% in 2012. This modest expansion occurred due to an improvement in retail sales in Nebraska during the year, as retail activity continued to bounce back after the "Great Recession." Even modest growth in retail employment requires solid sales growth due to rising labor productivity trends in the industry. Labor productivity is growing rapid due to the introduction of labor saving technology and the growing importance of big box stores in Nebraska retail trade. To see this, note that retail trade employment declined by nearly 7,000 jobs between 2000 and 2009. However, growth in retail sales in Nebraska (see Table 6) should be sufficient from 2013 through 2015 to support modest retail job growth. Retail trade employment is expected to grow 0.3%, or 300 jobs, in 2013 and by 0.4% in both 2014 and 2015. Growth will be sufficient to add 400 jobs in 2014 and 500 jobs in 2015.

Information

The information industry contains a diverse group of businesses including newspapers, media outlets, sound studios, and technology-oriented businesses such as telecommunications, data processing, web site development, and web publishing. There has been substantial productivity growth in nearly all of these types of businesses, most notably in publishing and telecommunications. Such rising labor productivity is a positive for the economy but a negative for job growth within the industry. As a result, information employment in Nebraska has fallen steadily for the last decade. However, employment in these subsectors has been stabilizing, allowing total information employment to rise slightly over the last 3 years. Further, demand for information services is rising fast. This suggests the industry may be able to maintain current employment levels despite rising labor productivity. Information industry employment is expected to decline by 100 jobs in 2013, remain unchanged in 2014, and then recover the 100 lost jobs in 2015.

Financial Services

The financial services industry comprises a diverse group of related industries including finance, insurance, and real estate. Financial services employment fell during 2009, in the heart of the "Great Recession" but has risen steadily in other years for the last decade. That trend is expected to continue now that elements of the financial services industry such as banking and real estate are benefiting from the housing recovery. The pace of growth, however, will be muted somewhat by regulatory issues facing the industry, in particular, implementation of the Dodd-Frank Act. Financial services employment is expected to grow by around 1,000 jobs per year during the 2013 through 2015 period. The pace of job growth will accelerate during the period. Financial services employment is expected to grow by 1.3% in 2013, 1.4% in 2014 and 1.5% in 2015.

Services

The services industry accounted for an estimated 38% of Nebraska employment in 2012. The large services industry contains a diverse group of businesses, including some of the fastest growing parts of the economy such as professional, scientific and technical services. The services industry also contains health care, the largest sector in the Nebraska economy as measured by employment, as well as hospitality businesses, encompassing lodging, food services, drinking places, and arts, entertainment, and recreation.

The services industry overall also is among the fastest growing portions of the economy. In fact, this large, growing industry accounted for an estimated 58% of net job growth in Nebraska during 2012. All major components of the Nebraska services industry added jobs in 2012, and are expected to add employment in 2013, 2014 and 2015. Health care employment is expected to grow by 2.0% to 2.5% per year. Similar rates of job growth are expected for the hospitality industry and the pro-cyclical business and professional services industry, which includes businesses that provide services to other businesses. Growth will be somewhat slower in the 'other services' category, which includes personal services such as haircuts or repair services. Overall, the services sector will experience balanced, accelerating job growth. Services industry employment growth will reach 2.0% in 2013, 2.3% in 2014 and 2.5% in 2015. This translates to an estimated 7,300 to 9,600 jobs per year.

Government

Recent efforts to reduce growth in federal spending are expected to accelerate in 2013, yielding a decline in federal government employment over the next few years. Significant cuts are expected in many individual agencies, either through reducing services or by using information technology to consolidate field offices. The net result of spending cuts will be a modest decline in federal government employment. Federal government employment is expected to decline by 1.0% per year from 2013 to 2015. While the federal government is accelerating its cuts, state and local government spending and employment are set to increase modestly. State and local governments have been curtailing spending for several years and are benefiting from balanced budgets and growing revenue. This will allow state and local governments to begin adding jobs though governments are expected to proceed cautiously, implying job growth at or slightly below the rate of population growth. State and local government job growth will reach 0.5% in Nebraska in 2013 and 2014 and 0.6% in 2015. This amounts to between 700 and 900 jobs per year, indicating that government will make a modest contribution to job growth in Nebraska.

Personal Income

Nebraska experienced solid nonfarm income growth during 2012. Nominal income (including inflation) grew by 4.0% during the year while inflation ran at 2.1%, for 1.9% growth in real nonfarm income in the state. As seen in Table 4, the pace of income growth will fall in 2013 with the expiration of the temporary cut in social security contributions on January 1, 2013. Social security contributions are subtracted from personal income, so income growth will slow in 2013 as full contributions are restored. Non-farm income growth will accelerate to 4.4% in 2014 due to solid job growth and as the restoration of the full payroll tax no longer influences growth. Non-farm income growth will reach 4.6% in 2015. Note that the outlook for nonfarm income in the current forecast is similar to the previous forecast, though income growth in 2012, like job growth, was stronger than expected. Farm income fell sharply in 2012, after achieving record levels in 2011. However, after this pullback, annual farm income is expected to stabilize near $5 billion per year. The $5 billion level appears to be the "new normal" for Nebraska farm income.

Table 4— Comparison of Forecasts for Nominal Income

Nonfarm Income

	Feb 2013 Forecast	Current Forecast
2012	3.3%	4.0%
2013	2.7%	2.2%
2014	4.5%	4.4%
2015	NA	4.6%

Farm Income

	Feb 2014 Forecast	Current Forecast
2012	-30.7%	-27.6%
2012	-13.5%	-3.7%
2013	-6 .7%	-3.8%
2014	NA	0.0%

Note: Nominal income growth includes inflation.

Nonfarm Personal Income

Table 5 shows forecasts for the major sources of nonfarm income. Wage and salary income, the largest income source, is expected to grow more quickly in 2014 and 2015 as job growth improves. Proprietor income growth also will accelerate as the economy recovers from recession. Other labor income (i.e., benefits) will match rather than exceed wage growth as employers continue to shift a larger portion of health care costs to their employees.

Table 5—Nonfarm Personal Income and Selected Components and Net Farm Income (USDA) ($ millions)

	Consumer Price Index	Nonfarm Personal Income	Dividends, Interest, & Rent	Total Personal Current Transfer Receipts	Nonfarm Wages & Salaries (Wages & Salaries — Farm Wages)	Other Labor Income	Contributions to Social Insurance	Residential Adjustment	Nonfarm Proprietor Income	Net Farm Income (USDA)
Millions of Dollars										
2000	172.2	$48,546	$10,097	$6,391	$27,111	$5,764	$4,318	-$880	$4,381	$1,453
2001	177.1	$49,534	$10,086	$6,693	$27,573	$5,981	$4,412	-$905	$4,518	$1,914
2002	179.9	$51,202	$10,095	$7,127	$28,474	$6,538	$4,553	-$948	$4,468	$867
2003	184.0	$53,028	$10,101	$7,424	$29,458	$7,136	$4,716	-$1,000	$4,624	$2,762
2004	188.9	$55,019	$9,926	$7,783	$30,857	$7,399	$4,924	-$1,020	$4,998	$3,587
2005	195.3	$57,139	$10,177	$8,210	$32,094	$7,836	$5,187	-$1,043	$5,051	$2,974
2006	201.6	$61,065	$11,471	$8,833	$33,906	$8,144	$5,595	-$1,021	$5,327	$2,020
2007	207.3	$64,803	$13,029	$9,344	$35,860	$8,340	$5,811	-$1,113	$5,155	$2,994
2008	215.3	$68,820	$14,639	$10,040	$37,165	$8,838	$6,015	-$1,167	$5,321	$4,026
2009	214.5	$66,418	$11,712	$10,977	$36,623	$9,039	$6,029	-$1,128	$5,224	$3,289
2010	218.1	$68,718	$11,842	$11,564	$37,187	$9,364	$6,265	-$1,069	$6,096	$3,993
2011	224.9	$72,277	$12,847	$11,897	$38,384	$9,654	$5,772	-$1,105	$6,372	$7,457
2012	229.6	$75,184	$13,570	$12,225	$39,878	$9,955	$5,945	-$1,173	$6,673	$5,400
Forecast Number										
2013	233.3	$76,869	$13,977	$12,591	$41,202	$10,256	$6,986	-$1,211	$7,040	$5,200
2014	237.5	$80,256	$14,816	$12,994	$42,813	$10,646	$7,252	-$1,259	$7,498	$5,000
2015	242.2	$83,963	$15,557	$13,436	$44,674	$11,109	$7,560	-$1,313	$8,060	$5,000
Forecast % (nominal growth)										
2013	1.6%	2.2%	3.0%	3.0%	3.3%	3.0%	17.5%	3.3%	5.5%	-3.7%
2014	1.8%	4.4%	6.0%	3.2%	3.9%	3.8%	3.8%	3.9%	6.5%	-3.8%
2015	2.0%	4.6%	5.0%	3.4%	4.3%	4.3%	4.2%	4.3%	7.5%	0.0%

Source: http://www.bea.gov, 2013. Note: Nominal income growth includes inflation.

Growth in dividend, interest, and rent income was solid in 2012 but will fall in 2013. Firms pulled taxable dividend payments forward to 2012 and this will reduce these payments in 2013. Transfer payments will grow at a solid rate; any entitlement reform will have little effect on current payments. Contributions to social insurance will rise rapidly in 2013, as noted earlier.

Farm Income

Since February, the gradual dissipation of drought across the Corn Belt has led many economists to suggest that corn prices will fall substantially by harvest. That drop could convert into a $1.5-$2.0 billion reduction in net earnings for Nebraska corn producers, a reduction that will last into future years. Farm incomes also will be under pressure in future years when a new farm bill removes direct farm subsidy payments, worth $400 million per year in Nebraska. Such a drop in crop income might be expected to yield a sharp decline in farm income.

But, the situation is different in Nebraska. Nebraska has a relatively unique counter-balancing effect of both major crop production sectors (particularly corn) and major livestock production (particularly fed cattle). As a result, the reduced crop revenues noted above would convert into significantly reduced input costs for the livestock sectors, helping these sectors return to profitability. Gains for livestock producers could mitigate a considerable portion of the lower crop earnings; though livestock herds are still lower due to the 2012 drought. There would be a rebalancing of income flows between the crop and livestock sectors that would be more sustainable. Ethanol producers also benefit from lower corn prices.

A rebalanced Nebraska agriculture sector would maintain farm income near $5 billion per year. This amount is effectively the "new normal" for Nebraska agriculture. Farm incomes are expected to drift down towards $5 billion between 2013 and 2015.

Net Taxable Retail Sales

In Table 6, data on net taxable retail sales are divided into motor vehicle sales and non-motor vehicle sales. The distinction is important. Motor vehicle net taxable sales are growing over time, but at an uneven rate from year to year. Non-motor vehicle taxable sales rise steadily, but are affected by business cycles and periodic changes to Nebraska's sales tax base. During the outlook period, we assume no changes in the sales tax base, though we acknowledge that state government continues to consider tax reform which may include broadening the sales tax base.

In Nebraska, like nationally, the increase in the payroll tax rate in January will slow sales growth in 2013 but not as much as many anticipated. In particular, growth in non-motor vehicle net taxable sales will be solid in Nebraska in 2013, despite weak income growth. Growth is expected to reach 3.4% in 2013. Growth in non-motor vehicle sales will accelerate in 2014 and 2015 as income growth recovers. Growth is anticipated to reach 4.2% in 2014 and 4.6% in 2015.

Growth in motor vehicle net taxable sales expanded rapidly from 2009 through 2012 but the rate of growth is expected to slow. As noted in the manufacturing outlook, the recovery in the automobile sector is beginning to plateau as sales recover to long-term levels. Sales will remain at healthy levels throughout the outlook period, expanding modestly from year to year. Motor vehicle taxable sales are expected to grow by 3.5% 2013, 1.5% in 2014, and rise back to a 4.3% growth in 2015.

Moderate growth in Nebraska vehicle sales and non-motor vehicle taxable sales will combine to produce 3.4% growth in total net taxable sales in 2013. The pace of growth will accelerate in 2014 as growth improves in non-motor vehicle taxable sales. In 2015, growth in both motor vehicle and non-motor vehicle taxable sales are expected to exceed 4%. Total net taxable sales are expected to grow by3.9% in 2014 and 4.6% in 2015. Sales growth in the entire 2013 through 2015 period will easily exceed the rate of inflation, suggestion solid growth in real taxable sales in the State of Nebraska.

Table 6—Net Taxable Retail Sales, Annual Totals ($ millions)

	Consumer Price Index	Total Net Taxable Sales	Motor Vehicle Net Taxable Sales	Non Motor Vehicle Net Taxable Retail Sales
Millions of Dollars				
2000	172.2	$20,443	$2,605	$17,838
2001	177.1	$21,057	$2,897	$18,160
2002	179.9	$21,426	$2,926	$18,500
2003	184.0	$22,092	$2,894	$19,199
2004	188.9	$23,618	$2,885	$20,733
2005	195.3	$24,443	$2,751	$21,691
2006	201.6	$24,978	$2,661	$22,317
2007	207.3	$26,237	$2,902	$23,335
2008	215.3	$26,664	$2,943	$23,721
2009	214.5	$25,709	$2,798	$22,911
2010	218.1	$26,683	$3,021	$23,662
2011	224.9	$28,206	$3,287	$24,919
2012	229.6	$29,546	$3.575	$25,970
Forecast Number				
2013	233.3	$30,554	$3,700	$26,853
2014	237.5	$31,737	$3,756	$27,981
2015	242.2	$33,186	$3,917	$29,268
Forecast % (nominal growth)				
2013	1.6%	3.4%	3.5%	3.4%
2014	1.8%	3.9%	1.5%	4.2%
2015	2.0%	4.6%	4.3%	4.6%

Source: Nebraska Department of Revenue, 2013. Note: Nominal taxable sales growth includes inflation.

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