

State of Nebraska



July 11, 2022

Patrick J. O'Donnell
Clerk of the Legislature
Room 2018, State Capitol
Lincoln, NE 68509

Dear Mr. O'Donnell:

As required by Nebraska Revised Statutes 77-4601, we are transmitting to you our certification of General Fund net receipts for each month of the fiscal year beginning July 1, 2022. The attached table titled "Monthly Consensus Estimates" schedules monthly receipt estimates derived from the annual net receipt estimate of the Nebraska Economic Forecasting Advisory Board produced February 28, 2022, adjusted for the revenue impacts from legislation enacted during the 107th Legislature, Second Session which was completed on April 20, 2022.

Please accept this letter and attachments as the required certification of total annual General Fund net receipts and for each month of the fiscal year beginning July 1, 2022.

Sincerely,

A handwritten signature in black ink that reads "Tony Fulton".

Tony Fulton
Tax Commissioner

Sincerely,

A handwritten signature in black ink that reads "Tom Bergquist".

Tom Bergquist
Legislative Fiscal Analyst

General Fund net receipts letter July 2022

Attachment

Nebraska Department of Revenue and Legislative Fiscal Office

Monthly Consensus Estimate of General Fund Receipts
Nebraska Economic Advisory Board February 28, 2022

Fiscal Year 2022-2023

(Amounts in Thousands of Dollars)

(Detail may not add to total due to rounding)

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOT
Gross Receipts:													
Sales & Use	274,779	271,658	263,025	266,987	259,656	263,431	324,259	259,114	236,782	270,438	267,617	269,936	3,227,682
Ind Income	111,266	354,343	335,679	123,087	346,893	243,229	301,623	380,383	285,507	451,665	383,206	330,477	3,647,358
Corp Income	24,158	9,696	93,777	22,072	15,570	80,636	20,274	12,727	71,533	104,120	20,389	89,284	564,236
Misc Taxes	12,816	11,966	18,093	11,431	11,915	13,704	18,622	10,504	25,397	43,572	8,860	36,472	223,352
Total Gross	423,019	647,663	710,574	423,577	634,034	601,000	664,778	662,728	619,219	869,795	680,072	726,169	7,662,628
Refunds													
City STX	47,487	50,595	50,592	49,206	54,148	48,590	43,661	60,500	47,931	45,658	52,610	52,686	603,664
Sales & Use	9,622	10,210	10,127	10,783	9,920	12,992	14,816	11,621	10,531	10,097	10,797	14,371	135,887
MV-Highway TF	1,421	1,670	1,488	1,512	1,564	1,481	1,503	1,506	1,406	1,448	1,455	1,510	17,964
HWYFUND	9,490	9,836	9,345	9,401	9,294	9,477	10,466	8,255	9,075	8,773	9,394	9,420	112,226
C&S Turnback	0	1,664	0	0	1,643	8,226	0	1,528	0	0	1,282	0	14,343
Ind Income	29,449	15,546	13,041	21,372	24,188	20,316	3,326	195,685	201,980	207,402	75,240	44,654	852,199
Corp Income	8,618	6,054	7,102	5,861	11,968	12,564	11,544	10,743	6,654	5,661	5,474	9,693	101,936
Misc Taxes	2	2	5	2	2	3	3	3	3	3	3	3	34
TOT REFUNDS	106,089	95,577	91,700	98,137	112,727	113,649	85,319	289,841	277,580	279,042	156,255	132,337	1,838,253
Net Receipts:													
Sales & Use	206,759	197,683	191,473	196,085	183,087	182,665	253,813	175,704	167,839	204,462	192,079	191,949	2,343,598
Ind Income	81,817	338,797	322,638	101,715	322,705	222,913	298,297	184,698	83,527	244,263	307,966	285,823	2,795,159
Corp Income	15,540	3,642	86,675	16,211	3,602	68,072	8,730	1,984	64,879	98,459	14,915	79,591	462,300
Misc Taxes	12,814	11,964	18,088	11,429	11,913	13,701	18,619	10,501	25,394	43,569	8,857	36,469	223,318
TOTAL NET	316,930	552,086	618,874	325,440	521,307	487,351	579,459	372,887	341,639	590,753	523,817	593,832	5,824,375

*Denotes actual receipts

NEFAB 02/28/2022

DOR & LFO 07/11/2022

General Fund Revenues - Sine Die 2022

	NEFAB FY2021-22	NEFAB+Bills FY2022-23	LFO at 0% FY2023-24	LFO at 0% FY2024-25
Forecast - February 2022				
Sales and Use Tax	2,180,000,000	2,350,000,000	2,371,000,000	2,361,000,000
Individual Income Tax	2,700,000,000	2,900,000,000	2,876,000,000	3,027,000,000
Corporate Income Tax	605,000,000	475,000,000	443,000,000	492,000,000
Miscellaneous receipts	240,000,000	235,000,000	218,000,000	207,000,000
Total General Fund Revenues - NEFAB Feb 2022	5,725,000,000	5,960,000,000	5,908,000,000	6,087,000,000
2022 Session Legislation				
Sales and Use Tax	0	(6,402,000)	(9,814,000)	(10,028,000)
Individual Income Tax	0	(104,841,000)	(197,621,750)	(467,561,550)
Corporate Income Tax	0	(12,700,000)	(25,567,250)	(106,641,450)
Miscellaneous receipts	0	(11,682,475)	(9,512,475)	(6,597,475)
Total 2022 Session Legislation	0	(135,625,475)	(242,515,475)	(590,828,475)
Adjust Credit for Property Taxes Paid per FY22 Actual *				
Individual Income Tax	0	0	0	0
Corporate Income Tax	0	0	0	0
Adjust LB1107 tax credit	0	0	0	0
Total GF Revenues - July 2022 Certification				
Sales and Use Tax	2,180,000,000	2,343,598,000	2,361,186,000	2,350,972,000
Individual Income Tax	2,700,000,000	2,795,159,000	2,678,378,250	2,559,438,450
Corporate Income Tax	605,000,000	462,300,000	417,432,750	385,358,550
Miscellaneous receipts	240,000,000	223,317,525	208,487,525	200,402,525
Total General Fund Revenues - FY22-23 certification	5,725,000,000	5,824,374,525	5,665,484,525	5,496,171,525
* Est. Income tax credits for property taxes paid				
K-12 Property Taxes	548,194,063	548,000,000	560,700,000	580,324,500
Community Colleges Property Taxes	0	50,000,000	100,000,000	125,000,000
Total (assume 75% individual and 25% corporate)	548,194,063	598,000,000	660,700,000	705,324,500

LB 873 enacted in the 2022 session, fixed the credit for K-12 property taxes paid at \$548 million for TY2022 (FY22-23) and \$560.7 million for TY2023 (FY23-24). Therefore, actual FY21-22 revenues will NOT affect the FY22-23 credit amount

2022 Session Bills

	FY2021-22	FY2022-23	FY2023-24	FY2024-25	Type
LB 750 Multiple DMV changes, Title Act, Registration Act, License Act		(682,475)	(682,475)	(682,475)	Misc
LB 873 Ind & corp rates, social security, LB1107 & comm college credit		(103,041,000)	(189,165,750)	(459,929,750)	Ind
LB 873 Ind & corp rates, social security, LB1107 & comm college credit		(12,500,000)	(24,647,250)	(105,814,250)	Corp
LB 917 Income tax deduction, wages paid to felon individuals		0	(4,140,000)	(360,000)	Ind
LB 917 Income tax deduction, wages paid to felon individuals		0	(460,000)	(40,000)	Corp
LB 984 Sales tax collect fees, feminine hygiene, net wrap, agents		(6,402,000)	(9,814,000)	(10,028,000)	Sales
LB 1024 Economic Recovery Act		(11,000,000)	(6,000,000)	(3,000,000)	Misc
LB 1150 Changes, ImagiNE Nebr Act, sales tax credits, etc...		(unknown cash flow revenue loss)			Sales
LB 1261 Nebr Advantage Rural Develop, E15 & E25 tax break		(1,800,000)	(4,140,000)	(7,084,800)	Ind
LB 1261 Nebr Advantage Rural Develop, E15 & E25 tax break		(200,000)	(460,000)	(787,200)	Corp
LB 1273 Income tax deduction, retired law enforce health insurance premiums		0	(176,000)	(187,000)	Ind
Total Revenue Bills to add to NEFAB forecast	0	(135,625,475)	(242,515,475)	(590,828,475)	
LB 1024 Economic Recovery Act	0	(10,000,000)	(10,000,000)	0	Transfer
LB 1102 Nebr Environmental Response Act	0	(300,000)	0	0	Transfer
Subtotal - GF Transfers Out	0	(10,300,000)	(10,000,000)	0	
Total - All Revenue Legislation	0	(145,925,475)	(252,515,475)	(590,828,475)	