PREPARED BY: DATE PREPARED: PHONE: Nikki Swope February 09, 2024 402-471-0042

LB 1120

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 2024-25		FY 2025-26			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS						
CASH FUNDS						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS						

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 1120 creates a requirement of an affidavit to demonstrate that the conveyance of property in a restricted area is not affiliated with any foreign government or nongovernment person considered to be a foreign adversary by federal regulations. The definition of a restricted area is a county that does not contain a city of the primary class or a city of the metropolitan class and lies within a ten-mile radius of a military installation. The signed affidavit must be submitted to the register of deeds of the county in which the real property is located.

LB 1120 requires the Tax Commissioner to create a form to be used by the register of deeds for computing documentary stamp tax. The form must include questions regarding whether the affidavit, as defined in this bill, is required for the transfer and if the affidavit has been completed.

No fiscal impact.

ADMINI	ISTRATIVE SERVICE	ES STATE BUDGET DIVISION: REVIE	EW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1120 AM: AGENCY/POLT. SUB: Department of Revenue					
REVIEWED B	Y: Ryan Walton	DATE: 2/8/2024	PHONE: (402) 471-4174		
COMMENTS: The Department of Revenue's assessment of no fiscal impact from LB 1120 appears reasonable.					

State Agency Estimate						
State Agency Name: Department	of Revenue				Date Due LFO:	
Approved by: James R. Kamm		Date Prepared:	02/07/2024		Phone: 471-5896	
	FY 2024	FY 2024-2025		5-2026	FY 2026-2027	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0
Other Funds		\$ 0		\$ 0		

LB 1120 creates a requirement of a completed and signed affidavit whenever there is a conveyance of real property which any part is located within a restricted area. LB 1120 defines restricted area as (1) a county that does not contain a city of the primary class or a city of the metropolitan class and (2) within a ten-mile radius of a military installation.

The affidavit must state the purchaser is not affiliated with any foreign government or nongovernment person considered to be a foreign adversary by federal regulations. The affidavit must be submitted to the register of deeds of the county in which the real property is located. The register of deeds cannot record any instrument reflecting such conveyance until they have received the necessary affidavit.

LB 1120 requires the Tax Commissioner to create a form to be used by the register of deeds for computing documentary stamp tax. The form must include a question asking whether the newly required affidavit is required for the transfer and whether the required affidavit has been completed.

The operative date for LB 1120 is three months after enactment.

It is estimated that LB 1120 will have no impact on General Fund revenues.

It is estimated that there will be no cost to the Department of Revenue to implement this bill.

Major Objects of Expenditure							
Class Code	Classification Title	24-25 <u>FTE</u>	25-26 <u>FTE</u>	26-27 <u>FTE</u>	24-25 Expenditures	25-26 Expenditures	26-27 Expenditures
Benefits							
Operating Costs							
Travel							
Capital Outlay							
	s						
Total							