

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		\$25,990,000		\$41,732,000
CASH FUNDS		\$920,000		\$1,689,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$26,910,000		\$43,421,000

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

LB 989 amends the Revenue Act of 1967 to impose sales and use tax on the gross receipts of digital advertisements. “Digital advertisements” means an advertising message delivered over the internet that markets or promotes a particular good, service, or political candidate or message.

The bill is operative October 1, 2020.

Revenue:

The Department of Revenue estimates revenue to the General Fund, the State Highway Capital Improvement Fund, and the Highway Allocation Fund as follows:

Fiscal Year	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund
2020-2021	\$25,990,000	\$920,000	\$162,000
2021-2022	\$41,732,000	\$1,689,000	\$298,000
2022-2023	\$44,929,000	\$1,819,000	\$321,000
2023-2024	\$48,308,000	\$1,955,000	\$345,000

Expenditures:

The department estimates minimal cost to implement the bill.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 989	AM:	AGENCY/POLT. SUB: Department of Revenue	
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COMMENTS: The Department of Revenue’s assessment of fiscal impact seems reasonable given the assumptions provided.			

