

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2009-10</b>		<b>FY 2010-11</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$0		\$16,400,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$0</b>		<b>\$16,400,000</b>	

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 634 would amend Section 77-3504 to strike language that includes social security and railroad retirement benefits in the computation of household income, to the extent that income was excluded in the computation of gross income for federal tax purposes, for purposes of determining eligibility for the homestead exemption. Qualifiers for the homestead exemption would therefore be allowed to exclude social security and railroad retirement benefits from the definition of household income used for eligibility. The bill has an operative date of January 1, 2010.

The Department of Revenue estimates that approximately 16,000 new applicants would qualify under this bill, and the estimated increase in expenditures under the Homestead Exemption Program would be as follows:

FY2010-11: \$16,400,000  
 FY2011-12: \$16,800,000  
 FY2012-13: \$17,125,000

The Department indicates the cost to implement the bill would be minimal.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact.

**IMPACT TO POLITICAL SUBDIVISIONS:**

There is no fiscal impact to political subdivisions associated with this bill.