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471-0051

LB 81

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 81 amends Sections 14-109 (Metropolitan Class City), 15-203 (Primary Class City), 16-205 (First Class City), 17-525 (Second Class City and Villages) dealing with the occupation tax, to prohibit the levying of a license or occupation tax on nonresidents of such city.

Section 14-109 is also amended to prohibit a city of the Metropolitan Class from levying a motor vehicle registration fee on a nonresident of such city.

Section 18-1214, which applies to all cities and villages, is amended to prohibit the levying of a license or occupation tax on nonresident motor vehicles.

The bill has an operative date of January 1, 2011.

The Department of Revenue indicates that LB 81 will not have an impact on state or local option sales and use tax revenue. The bill imposes no limitation on the ability of businesses to pass along an occupation tax to all customers, whether or not the occupation tax is separately stated. Since occupation taxes are imposed on businesses, the resident/nonresident distinction is irrelevant.

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

