

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$19,954	(\$ 15,000)		(\$ 24,000)
CASH FUNDS		(\$ 382,000)		(\$ 589,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$19,954	(\$ 397,000)		(\$ 613,000)

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

LB 581 amends Nebraska Revenue Act of 1967, Sections 77-2703 and 77-2708, regarding sales and use taxes.

The bill would change the collection fee for those retailers who collect sales and use taxes on motor vehicles to keep, in addition to the current 2.5% of the first \$3,000 remitted per month, an additional 0.5% of amounts in excess of \$3,000 per month.

Fiscal Year:	General Funds:	Highway Cash Fund:	State Highway Capital Improvement Fund :	Highway Allocation Fund (Local):
2013-14:	(\$ 15,000)	(\$ 381,000)	(\$ 1,000)	(\$ 405,000)
2014-15:	(\$ 24,000)	(\$ 588,000)	(\$ 1,000)	(\$ 625,000)
2015-16:	(\$ 24,000)	(\$ 606,000)	(\$ 1,000)	(\$ 644,000)
2016-17:	(\$ 25,000)	(\$ 624,000)	(\$ 1,000)	(\$ 663,000)

The Department of Revenue indicates they will require a one-time programming charge of \$19,954 paid to the Office of the CIO for mainframe programming costs.

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

IMPACT TO POLITICAL SUBDIVISIONS:

The Department of Revenue estimates the following fiscal impact to the Highway Allocation Fund:

FY2013-14:	(\$405,000)
FY2014-15:	(\$625,000)
FY2015-16:	(\$644,000)
FY2016-17:	(\$663,000)

The Department also estimates that counties remitting motor vehicle sales tax are expected to see an increase in their collection fees of \$770,000, \$1,189,000, and \$1,225,000 in fiscal years 2013-14, 2014-15, and 2015-16, respectively.

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2013

LB⁽¹⁾ 581 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Roads

Prepared by: ⁽³⁾ Becky Fleming Date Prepared: ⁽⁴⁾ 2/4/13 Phone: ⁽⁵⁾ 402-479-4692

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	(\$431,000)	_____	(\$431,000)
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>(\$431,000)</u>	<u>_____</u>	<u>(\$431,000)</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 581 changes the monthly collection fee that is retained by persons collecting the sales and use tax:

From 2 1/2% of the first \$3,000 remitted

To 2 1/2% of the first \$3,000 remitted and 1/2% of all amounts in excess of \$3,000

Sales tax on motor vehicles are collected by county treasurers and remitted to the Highway Trust Fund with the Highway Cash Fund receiving 53 1/3% of this revenue.

Based on FY2012 data, the additional 1/2% retainage would result in a loss to the Highway Cash Fund of \$431,000 annually. Cities and counties would lose \$458,000.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____