

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$1,060,000)		(\$1,127,000)
CASH FUNDS		(\$43,000)		(\$46,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$1,103,000)		(\$1,173,000)

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

LB 653 amends the Nebraska Revenue Act of 1967.

The bill provides for a sales tax holiday on the purchase of energy star qualified products used for home or personal use.

The first \$2,500 of the sales price shall be exempt from sales tax for such purchases made beginning at 12:01 a.m. on the first Friday in October and concluding at 12:00 midnight on the first Sunday after the first Friday in October.

Eligible energy star qualified products means products that meet energy efficient guidelines set by the U.S. Environmental Protection Agency and the U. S. Department of Energy and are authorized to carry the energy star label. These products include: dishwashers, clothes washers, air conditioners, ceiling fans, fluorescent light bulbs, dehumidifiers, programmable thermostats, refrigerators, doors, and windows.

The exemption does not apply to purchases of such products for trade, business, or resale.

The bill has an operative date of October 1, 2015.

The Department of Revenue estimates the following fiscal impact of LB 653:

Fiscal Year:	General Fund:	State Highway Capital Improvement Fund:	Highway Allocation Fund: (Local)	Total:
2015-16:	(\$ 1,060,000)	(\$ 43,000)	(\$ 8,000)	(\$ 1,111,000)
2016-17:	(\$ 1,127,000)	(\$ 46,000)	(\$ 8,000)	(\$ 1,181,000)
2017-18:	(\$ 1,193,000)	(\$ 48,000)	(\$ 9,000)	(\$ 1,250,000)
2018-19:	(\$ 1,241,000)	(\$ 50,000)	(\$ 9,000)	(\$ 1,300,000)

The Department of Revenue indicates the cost to implement LB 653 will be minimal.

We have no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

IMPACT TO POLITICAL SUBDIVISIONS:

The fiscal impact to the Highway Allocation Fund is as follows:

FY2015-16:	(\$ 8,000)
FY2016-17:	(\$ 8,000)
FY2017-18:	(\$ 9,000)
FY2018-19:	(\$ 9,000)

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 653	AM:	AGENCY/POLT. SUB: Dept. of Revenue
REVIEWED BY: Lyn Heaton	DATE: 3/4/2015	PHONE: 471-4181
COMMENTS: No basis upon which to disagree with the Department of Revenue analysis.		

