

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 1030 amends Nebraska Revised Statutes Sections 13-2816 and 77-2703.01 regarding sales tax sourcing rules for motor vehicles and trailers operated by a public power district and registered under Section 60-3,228.

Section 13-2816 is amended to provide, for purposes of the sales and use tax imposed by a municipal county, that the sale of a motor vehicle or trailer operated by a public power district and registered under Section 60-3,228, is consummated at the place where the motor vehicle has situs, as defined in Section 60-349.

Section 60-3,228 (1) provides that "Upon application and payment of fees required pursuant to this section and section 60-3229, each motor vehicle and trailer operated by a public power district shall be issued permanent public power district license plates. The public power district license plates shall be issued by the county in which the public power district is headquartered."

Section 60-349 defines situs as "the tax district where the motor vehicle or trailer is stored and kept for the greater portion of the calendar year."

LB 1030 would now provide that for purposes of sales tax sourcing, the sales tax that would apply would be that of the tax district where the motor vehicle or trailer has situs instead of the public power district's headquarters tax district.

The bill has an operative date of January 1, 2021.

The Department of Revenue estimates that LB 1030 will have no fiscal impact to the General Fund. The bill will return any applicable local sales tax to the municipality where the vehicle has situs, rather than where the vehicle is registered, which could have a minimal impact to the Municipal Equalization Fund.

The Department of Revenue indicates minimal cost to implement the provisions of LB 1030.

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

The Department of Transportation indicates no fiscal impact to the Department as a result of the provisions of LB 1030.

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

The Department of Motor Vehicles indicates no fiscal impact as a result of the provisions of LB 1030.

We have no basis to disagree with the Department of Motor Vehicles' estimate of fiscal impact.

IMPACT TO POLITICAL SUBDIVISIONS:

This change may result in some counties receiving sales tax revenue that they previously did not receive or not receiving revenue they did receive previously, but the amount is indeterminate.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 1030 AM: AGENCY/POLT. SUB: Dept. of Transportation

REVIEWED BY: Lyn Heaton DATE: 2/13/2018 PHONE: [\(402\) 471-4181](tel:4024714181)

COMMENTS: Concur with the Department of Transportation's estimate of no fiscal impact on the NDOT.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 1030 AM: AGENCY/POLT. SUB: Dept. of Revenue

REVIEWED BY: Lyn Heaton DATE: 2/13/2018 PHONE: [\(402\) 471-4181](tel:4024714181)

COMMENTS: Concur with the Department of Revenue's estimate of no or minimal fiscal impact.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 1030 AM: AGENCY/POLT. SUB: Dept. of Motor Vehicles

REVIEWED BY: Lyn Heaton DATE: 2/9/2018 PHONE: [\(402\) 471-4181](tel:4024714181)

COMMENTS: Concur. No fiscal impact on the Department of Motor Vehicles.

Please complete ALL (5) blanks in the first three lines.

2018

LB⁽¹⁾ 1030

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Motor Vehicles

Prepared by: ⁽³⁾ Bart Moore Date Prepared: ⁽⁴⁾ January 18, 2018 Phone: ⁽⁵⁾ (402)471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No Fiscal Impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19 EXPENDITURES</u>	<u>2019-20 EXPENDITURES</u>
	<u>18-19</u>	<u>19-20</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2018

LB⁽¹⁾ 1030

FISCAL NOTE

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

Prepared by: ⁽³⁾ Becky Fleming Date Prepared: ⁽⁴⁾ 2/8/18 Phone: ⁽⁵⁾ (402) 479-4692

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 1030 changes the sales tax sourcing rules for motor vehicles and trailers operated by public power districts. The sale of any motor vehicle or trailer operated by a public power district is completed at the place where the motor vehicle or trailer is stored or kept for the greater portion of the calendar year. This may change the county that is collecting the sales tax.

No fiscal impact is anticipated to the Department.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19 EXPENDITURES</u>	<u>2019-20 EXPENDITURES</u>
	<u>18-19</u>	<u>19-20</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____