

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		\$0		(\$3,325,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$0		(\$3,325,000)

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

LB 129 amends Nebraska Revised Statutes Section 77-2715.07 to increase the amount of a refundable credit against Nebraska income tax.

The bill increases the Nebraska earned income tax credit from its current level of 10% of the federal credit allowed under section 32 of the Internal Revenue Code of 1986, to 11% for tax years beginning on or after January 1, 2018 and before January 1, 2019 and to 12% for tax years beginning on or after January 1, 2019.

The Department of Revenue estimates the following fiscal impact to the General Fund as a result of LB 129:

FY2017-18:	\$	0	
FY2018-19:	\$	3,325,000)	0
FY2019-20:	(\$	6,807,000)	
FY2020-21:	(\$	6,967,000)	

The Department of Revenue indicates the cost to implement LB 129 will be minimal.

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

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB:129	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Lyn Heaton	DATE: 1/30/2017	PHONE: (402) 471-4181	
COMMENTS: No basis upon which to disagree with the Dept. of Revenue's analysis.			

