

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	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 5 amends the Beginning Farmer Tax Credit Act to increase the tax credit available to an owner of an agricultural asset who enters into a rental agreement with a qualified beginning farmer or livestock producer who is a veteran.

The bill uses the definition of “veteran” found in section 48-225, which is:

- A person who served full-time duty with military pay and allowances in the armed forces of the United States, except for training or for determining physical fitness, and was discharged or otherwise separated with a characterization of honorable or general (under honorable conditions); or
- The spouse of a veteran who has a 100% permanent disability as determined by the United States Department of Veterans Affairs.

Under the bill, for cash rent agreements, the tax credit percentage is increased from 10% to 11% of gross rental income, and for share rent agreements, the tax credit percentage is increased from 15% to 16% of gross rental income. The bill is operative for tax years beginning on or after January 1, 2020.

The Department of Revenue estimates a minimal impact to General Fund revenues and minimal costs to implement this bill.

