

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	\$252,331		\$44,300	(\$2,728,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$252,331		\$44,300	(\$2,728,000)

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

LB 610 adopts the College Savings Tax Credit Act. Under the act, a taxpayer can claim a nonrefundable tax credit for 25% of the amount contributed to a college savings account in an amount matching a contribution made to the same account by the taxpayer's employee in the same year. The credit cannot exceed \$2,000 per contributing employee per year and is available beginning in tax years on or after January 1, 2020. The credit cannot be carried back, but can be carried forward up to 5 years. The Department of Revenue can adopt and promulgate rules and regulations to carry out the act.

Revenue:

The State Treasurer estimates no fiscal impact to the agency. The Department of Revenue estimates revenue to the General Fund as follows:

FY19-20	\$0
FY20-21	(\$2,728,000)
FY21-22	(\$2,880,000)

Expenditures:

The State Treasurer estimates no cost to implement the bill. The Department of Revenue estimates the following costs to implement the bill:

- A one-time programming charge of \$205,431 to OCIO for mainframe and web development costs; and
- Expenditures of \$46,900 in FY19-20 and \$44,300 in FY 20-21 for 1.0 FTE Revenue Operations Clerk II.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 610	AM:	AGENCY/POLT. SUB: State Treasurer
REVIEWED BY: Lee Will	DATE: 2/1/2019	PHONE: (402) 471-4175
COMMENTS: Concur with the State Treasurer's assessment of no fiscal impact. The provisions in the bill would lead to a potential reduction in General Fund revenue by providing a tax credit against income tax collected from taxpayers contributing to the College Savings Account in the amount of 25% of the matching employer contribution, up to \$2,000 per taxable year.		

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

LB: 610 AM: AGENCY/POLT. SUB: Department of Revenue

REVIEWED BY: Lee Will DATE: 2/4/2019 PHONE: (402) 471-4175

COMMENTS: The Department of Revenue's statement of fiscal impact seems reasonable given the assumptions used.

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

2019

LB⁽¹⁾ 610

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ State Treasurer

Prepared by: ⁽³⁾ Jason Walters Date Prepared: ⁽⁴⁾ January 31, 2019 Phone: ⁽⁵⁾ 402-471-2793

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</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 to the State Treasurer's Office

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

