

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	See below		See below	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

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

LB 412 seeks to amend language related to the Nebraska Housing Agency Act. Under LB 412, housing agencies are required to provide notice of a property tax exemption to the county assessor in the county where the property is located. This must be done prior to the calendar year for which the exemption is sought. Furthermore, LB 412 amends the language of the Act, removing the phrase “wholly owned”. This removal would expand the amount of housing agencies that could qualify for exemption.

LB 412 would become operative LB 412.

LB 412 would reduce the property tax base for the state, which could have a corresponding increase to the amount of TEEOSA state aid calculated for equalized school districts. This would create an increase in General Fund expenditures. There is no basis to disagree with this estimate.

The Department of Revenue estimates there will be no cost to the Department to implement LB 412. There is no basis to disagree with this estimate.

The impact to counties is expected to be minimal. The Lancaster County Assessor expects no fiscal impact to implement LB 412. There is no basis to disagree with this estimate.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 412	AM:	AGENCY/POLT. SUB: Lancaster County Assessor	
REVIEWED BY: Lucas Martin	DATE: 01/19/2021	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with Lancaster County Assessor’s assessment of no fiscal impact.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 412	AM:	AGENCY/POLT. SUB: Douglas County Assessor	
REVIEWED BY: Lucas Martin	DATE: 01/26/2021	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Douglas County Assessor Office’s assessment of negative fiscal impact.			



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

**2021**

**LB<sup>(1)</sup> 412**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Lancaster County Assessor/ROD

Prepared by: <sup>(3)</sup> Scott Gaines Date Prepared: <sup>(4)</sup> 1/15/21 Phone: <sup>(5)</sup> 402-441-6580

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2021-22</u>		<u>FY 2022-23</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 Lancaster County Assessor's Office.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

**2021**

**LB<sup>(1)</sup> 412**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Douglas County Assessor/Register of Deeds Office

Prepared by: <sup>(3)</sup> Michael Goodwillie, Compliance Officer, Douglas County Assessor/Register of Deeds Office  
 Date Prepared: <sup>(4)</sup> 1/13/2021  
 Phone: <sup>(5)</sup> (402) 444-6703

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>-\$58,500</u>	<u>0</u>	<u>-\$58,500</u>
CASH FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
FEDERAL FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
OTHER FUNDS	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL FUNDS	<u>                    </u>	<u>-\$58,500</u>	<u>                    </u>	<u>-\$58,500</u>

Explanation of Estimate: LB 412 would exempt from property taxation low-income housing that is not owned by a housing authority or its wholly controlled affiliate but is instead in joint ownership with nongovernmental persons or entities. Currently, Omaha Housing Authority, through an affiliate, forms partnerships with private developers and investors to build Low-Income Housing Tax Credit (LIHTC) properties. The housing authority affiliate manages the property but it is owned 99.99% by the private investors. Currently, these properties do not qualify for exemption under the Nebraska Housing Agency Act and do not appear to qualify for exemption as either a governmentally-owned property or as a religious, educational, charitable, or cemetery property.

If the properties became tax-exempt, the chief fiscal impact would be a loss of tax revenue. Currently, such properties are taxable although with a statutorily mandated valuation methodology that treats these properties quite favorably compared to nonLIHTC housing for poor or moderate income people. For 2020, for example, in Douglas County there were 54 such properties, with a total taxable value of \$2,735,300. That value generated approximately \$58,500 in property taxes, split among the political subdivisions levying property taxes on these particular properties. The property tax revenues in the Omaha Public School District geographical boundaries are currently split this way: OPS 55%, City of Omaha 21%, and Douglas County 13% and any tax loss would be apportioned accordingly.

In terms of the Assessor/Register of Deeds Office, LB 412 would not directly affect either its budget or staffing.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Operating.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Travel.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Capital outlay.....	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**Aid**.....  
**Capital improvements**.....  
**TOTAL**.....

_____	_____
_____	_____
_____	_____
_____	_____