

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised to include agency comment.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				(\$29,320,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				(\$29,320,000)

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

LB44 increases the earned income tax credit from 10% to 20% for taxable years beginning on or after January 1, 2025.

No basis to disagree with the estimates for revenue loss provided by the Department of Revenue.

## State Agency Estimate

State Agency Name: Department of Revenue				Date Due LFO:		
Approved by: James R. Kamm		Date Prepared:		LEAVE BLANK		
				Phone: 471-5896		
	<u>FY 2024-2025</u>		<u>FY 2025-2026</u>		<u>FY 2026-2027</u>	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u> <u>Revenue</u>	
General Funds		\$ 0		\$ (29,320,000)		\$ (29,379,000)
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ (29,320,000)		\$ (29,379,000)

LB 44 amends the Nebraska earned income refundable tax credit from 10% to 20% for taxable years beginning on or after January 1, 2025.

It is estimated that this bill will have the following impacts on General Fund revenues:

Fiscal Year	General Fund Revenues
FY25-26	\$ (29,320,000)
FY26-27	\$ (29,379,000)
FY27-28	\$ (29,438,000)

It is estimated that there will be minimal costs to the Department of Revenue to implement this bill.

## Major Objects of Expenditure

<u>Class Code</u>	<u>Classification Title</u>	<u>24-25 FTE</u>	<u>25-26 FTE</u>	<u>26-27 FTE</u>	<u>24-25 Expenditures</u>	<u>25-26 Expenditures</u>	<u>26-27 Expenditures</u>
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
<b>Total.....</b>							