

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2025-26</b>		<b>FY 2026-27</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$155,187		See Below	(\$670,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	\$155,187		See Below	(\$670,000)

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

LB 305 establishes the Preceptorship Tax Credit Act.

For taxable years beginning on or after January 1, 2026, a licensed physician participating as a preceptor in a preceptorship program shall be eligible for a nonrefundable income tax credit. The credit shall be in an amount equal to \$1,000 for each rotation completed by the licensed physician without compensation as a preceptor in a preceptorship program, provided that each rotation consists of at least 80 or more hours of clinical training. The maximum allowable amount of the credit in any single taxable year for any single licensed physician is \$5,000.

The Department of Revenue (DOR) may approve up to \$1 million in credits under the Act in any single fiscal year. Priority for approval of credits under the Act shall be given to licensed physicians who participated as a preceptor in a preceptorship program in a rural location. Once credits have reached the annual limit for any fiscal year, no additional credits shall be allowed for such fiscal year. Credits shall be prorated among the credit requests received on the day the annual limit is exceeded. A credit allowed under the Act shall not be transferred, sold, or assigned.

The DOR may adopt and promulgate rules and regulations to carry out the Act.

The DOR estimates the following General Fund revenue decreases as a result of the bill:

- FY27: (\$670,000)
- FY28: (\$900,000)
- FY29: (\$1,000,000)

The DOR estimates a one-time programming charge of \$98,687 to be paid to the Office of the Chief Information Officer (OCIO) as a result of the bill. There is no basis to disagree with this estimate.

Additionally, the DOR estimates a need for a Revenue Operations Clerk II as a result of this bill, except the DOR does not assume any salary or benefits increases for FY26-27 for the additional personnel needed pursuant to this bill's provisions. Without increases in salary and benefits for the additional personnel, the DOR would absorb costs connected to these increases.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 305	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Ryan Yang	DATE: 1/28/2025	PHONE: (402) 471-4178	
COMMENTS: No basis to dispute the Department of Revenue Assessment that there will be a fiscal impact from LB 305.			



The estimated total reduction to the General Fund revenues would be as follows:

Fiscal Year	General Fund Revenues
FY26-27	\$ (670,000)
FY27-28	\$ (900,000)
FY28-29	\$ (1,000,000)

The Department will need to hire 1.0 FTE Revenue Operations Analyst II to implement the bill.

This bill requires a one-time ICIO programming cost of \$98,687 to add a line to Form 1040N

LB 305 becomes operative on January 1, 2026.