Doug Gibbs February 04, 2011 471-0051

**LB 318** 

Revision: 00

## FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *						
	FY 2011-12		FY 2012-13			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS	\$0		(\$466,000)			
CASH FUNDS				,		
FEDERAL FUNDS				···		
OTHER FUNDS						
TOTAL FUNDS	\$0		(\$466,000)			

<sup>\*</sup>Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 318 amends Nebraska Revised Statutes Section 77-3505, dealing with the homestead exemption, to change the age of initial eligibility for the exemption.

The bill changes the definition of qualified claimant to mean someone who is age 66 or older before January 1 of the year for which the exemption is claimed for calendar year 2012; and is age 67 or older before January 1 for which the exemption is claimed for calendar year 2013 and each year thereafter.

Under current law a qualified claimant must be 65 years of age or older before January 1 of the year for which the exemption is claimed.

The bill has an operative date of January 1, 2012.

The Department of Revenue indicates, based on 2008 homestead exemption application data, that applicants age 65 and 66 represent 2.4% and 2.8% of all applicants, respectively.

The Department of Revenue estimates the bill will reduce General Fund expenditures by \$466,000 in FY2012-13, \$973,000 in FY2013-14, and \$1,023,000 in FY2014-15.

Costs to implement are minimal.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE 2/8/11	PHONE 471-2526				
COMMENTS							
DEPT. OF REVENUE – No basis upon which to disagree with the agency estimate.							

RECEIVEDFEB 0 7 WFiscal Note

2011

		State Agency	Estimate	SLETTY"		
State Agency Name: Department	of Revenue		•		Date Due LFA:	1/25/2011
Approved by: Douglas Ewald		Date Prepared:	1/21/2011		Phone: 471-5700	
	FY 2011-2012		FY 2012-2013		FY 2013-2014	
	<b>Expenditures</b>	Revenue	Expenditures	Revenue	<u>Expenditures</u>	Revenue
General Funds	\$0		(\$466,000)		(\$973,000)	
Cash Funds						
Federal Funds						
Other Funds						
Total Funds	\$0		(\$466,000)		(\$973,000)	

LB 318 changes the age requirement for a qualified claimant for the Homestead exemption. A claimant must meet the age requirement the year before they claim the exemption. For calendar year 2012, a claimant must be at least 66 years of age; for calendar years after 2012, a claimant must be at least 67 years of age.

Based on 2008 Homestead application data, applicants aged 65 and 66 years of age, represent 2.4% and 2.8% of all applicants, respectively.

The operative date for this bill is January 1, 2012, affecting county reimbursements beginning in the second half of FY 2012-13.

LB 318 is estimated to reduce General Fund expenditures by \$0.466 million, \$0.973 million, and \$1.023 million in FY 2012-13 through FY 2014-15, respectively.

Costs to implement LB 318 are minimal.

	Majo	r Objects of I	Expendit	ure			
Class Code	Classification Title	11-12 FTE	12-13 FTE	13-14 FTE	11-12 Expenditures	12-13 <u>Expenditures</u>	13-14 Expenditures
Fravel				• • • • • • • • • • •			
Aid					\$0	(\$466,000)	(\$973,000
	***************************************				\$0	(\$466,000)	(\$973,000