

PREFARED BY: Doug Gibbs  
 DATE PREPARED: February 14, 2011  
 PHONE: 471-0051

**LB 323**

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	\$22,516		\$22,966	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$22,516		\$22,966	

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

LB 323 amends the Nebraska Advantage Act to change application procedures regarding the refund of local option sales and use tax.

The bill provides that upon receipt of a completed application for a Nebraska Advantage project, the Tax Commissioner shall notify any city, village, or county that may be impacted by the granting of a local option sales and use tax refund. The city, village, or county shall then respond within thirty days and indicate if they will refund the local option sales and use tax paid by the Nebraska Advantage Act applicant if the application is approved.

It appears that the language of the bill gives the city, village, or county the ability to opt out by project. In other words, it is not a blanket opt out; a city could decide to not refund the local option sales and use tax for one project while deciding to refund those taxes for another project.

The Department of Revenue indicated there is no fiscal impact to the General Fund as a result of LB 323.

The Department estimates the cost to implement LB 323 includes 0.5 FTE for a Fiscal Compliance Analyst.

We agree with the Department's estimate of fiscal impact to the General Fund and cost to implement LB 323.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/15/11	PHONE	471-2526
COMMENTS					
DEPARTMENT OF ECONOMIC DEVELOPMENT: Concur. No fiscal impact to the Department of Economic Development. DEPARTMENT OF REVENUE: It is assumed the cost to implement the bill, if any, would be General Funds.					



