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PREPARED BY:
DATE PREPARED:
PHONE:

Kathy Tenopir
February 13, 2012
471-0058

LB 907

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS	See Below	See Below	See Below	See Below
TOTAL FUNDS				

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

LB907 increases the minimum horsepower of an agriculture tractor that is required to be permitted, tested and approved from 40 or more to 100 or more.

The University of Nebraska indicates that the provisions of LB907 will result in less tractors being tested. The University estimates an annual revenue loss of \$45,000 and a \$13,000 decrease in expenditures.

LB907 also prohibits the purchaser of any current tractor model, regardless of horsepower, from claiming an exemption from sales and use tax as agricultural machinery unless the current tractor model has been permitted and tested.

The Department of Revenue indicates that based on the number of tractors permitted for sale in Nebraska since 1999 at 930 models, it does not appear likely that the bill will result in a significant number of tractors being subject to sales tax.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	William Scheideler	DATE	1/18/12	PHONE	471-2526
COMMENTS					
UNIVERSITY OF NEBRASKA: No basis to dispute the University's estimated impact.					

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

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LB⁽¹⁾ 907 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ University of Nebraska

Prepared by: ⁽³⁾ Michael Justus Date Prepared: ⁽⁴⁾ January 17, 2012 Phone: ⁽⁵⁾ 472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2012-2013</u>		<u>FY 2013-2014</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$ _____	\$ _____	\$ _____	\$ _____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	<u>(13,000)</u>	<u>(45,000)</u>	<u>(13,000)</u>	<u>(45,000)</u>
TOTAL FUNDS	<u>\$ (13,000)</u>	<u>\$ (45,000)</u>	<u>\$ (13,000)</u>	<u>\$ (45,000)</u>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The University of Nebraska-Lincoln Tractor Test Laboratory is solely supported with fees generated from the testing required under the current Nebraska Tractor Test Law. Accurately estimating the fiscal impact of this bill is difficult due to the potential variability of testing activity for tractors under 100 HP, dependent upon whether the tractor is purchased for agricultural or non-agricultural purposes. Total projected revenue loss is approximately \$45,000 annually, based upon an estimate of 5 fewer models permitted. It is also anticipated that expenditures directly related to testing activities would decrease by approximately \$13,000 annually. The projected net annual reduction in Tractor Test Lab income would be \$32,000.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2012-2013</u>	<u>2013-2014</u>
	<u>12-13</u>	<u>13-14</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	<u>(13,000)</u>	<u>(13,000)</u>
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	<u>\$ (13,000)</u>	<u>\$ (13,000)</u>

