

msd

PREPARED BY: Doug Gibbs  
DATE PREPARED: February 03, 2012  
PHONE: 402-471-0051

**LB 976**

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	\$ 11,226	(\$ 66,425,000)	\$ 0	(\$ 69,133,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$ 11,226	(\$ 66,425,000)	\$ 0	(\$ 69,133,000)

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

LB 976 amends Nebraska Revised Statutes Section 77-2716, dealing with the income tax, to exempt taxable social security benefits from the Nebraska individual income tax.

The exemption begins for tax years beginning on or after January 1, 2012.

The Department of Revenue estimates that LB 976 will have the following impact to the General Fund:

FY2012-13:	(\$ 66,425,000)
FY2013-14:	(\$ 69,133,000)
FY2014-15:	(\$ 72,865,000)

The Department estimates a one-time programming cost to add lines to the form 1040N, as well as to the NebFile online filing system of \$11,226 paid to the OCIO.

We agree with the Department's estimate of fiscal impact and cost.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	2/7/12	PHONE 471-2526
COMMENTS			
DEPT. OF REVENUE – No basis to disagree.			

