

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$514,000)		(\$668,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$514,000)		(\$668,000)

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

LB 26 amends Nebraska Revised Statutes Section 77-2608, dealing with cigarette stamps.

The bill changes the discount retained by stamping agents from one and eighty-five hundredths of a percent of face value, to a new rate of three percent of face value as a commission for affixing and canceling the stamps.

The bill has an operative date of October 1, 2013.

The Department of Revenue estimates the following impact to the General Fund. Fixed transfers to the specific cash funds receiving proceeds from the cigarette tax are not affected.

FY2013-14:	(\$ 514,000)
FY2014 15:	(\$ 668,000)
FY2015-16:	(\$ 650,000)

The Department indicates that the cost to implement LB 26 would be minimal.

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

IMPACT TO POLITICAL SUBDIVISIONS:

No fiscal impact.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 26	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 1/23/2013	PHONE: 402.471.4181
COMMENTS: The Dept. of Revenue's estimate of General Fund revenue loss appears reasonable.			

State Agency Estimate

State Agency Name: Department of Revenue

Date Due LFA: 1/22/2013

Approved by: Douglas Ewald

Date Prepared: 1/14/2013

Phone: 471-5700

	FY 2013-2014		FY 2014-2015		FY 2015-2016	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		(\$514,000)		(\$668,000)		(\$650,000)
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		(\$514,000)		(\$668,000)		(\$650,000)

LB 26 increases the discount retained by cigarette tax stamping agents from 1.85% to 3% of the face value of each cigarette tax stamp purchased as a commission for affixing the stamps.

The bill would affect revenue to the General Fund by the following amounts:

FY 2013-14: (\$514,000)

FY 2014-15: (\$668,000)

FY 2015-16: (\$650,000)

Fixed transfers to cash funds receiving proceeds of the cigarette tax are not affected.

The effective date of the bill is October 1, 2013.

Departmental cost to implement the bill is expected to be minimal.

Major Objects of Expenditure

Class Code	Classification Title	13-14	14-15	15-16	13-14	14-15	15-16
		FTE	FTE	FTE	Expenditures	Expenditures	Expenditures
	Benefits.....						
	Operating Costs.....						
	Travel.....						
	Capital Outlay.....						
	Aid.....						
	Capital Improvements.....						
	Total.....						