

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		(\$780,000)		(\$303,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$780,000)		(\$303,000)

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

LB 64 amends Nebraska Revised Statutes Section 77-27,144, regarding the deductions of incentive refunds from local option sales tax.

The bill changes the threshold for eligibility to have an incentive refund deducted in twelve equal monthly installments, from 25% of the municipality's prior fiscal year total sales and use tax receipts to 12%. As a result this would cause more incentive refunds to be deducted in monthly installments.

Currently, refunds paid under the incentive acts to eligible taxpayers are deducted from the amount remitted to the appropriate municipality one year after the refund is paid to the taxpayer. If the amount of the refund is greater than 25% of the municipality's prior fiscal year net sales tax receipts the refund is deducted in twelve monthly installments.

The Department of Revenue estimates the following fiscal impact to General Fund receipts as a result of LB 64:

FY2013-14:	(\$ 780,000)
FY2014-15:	(\$ 303,000)
FY2015-16:	(\$ 54,000)

The Department indicates the cost to implement LB 64 will be minimal.

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

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 64	AM:	AGENCY/POLT. SUB: Dept. of Revenue
REVIEWED BY: Lyn Heaton	DATE: 2/14/2013	PHONE: 402.471.4181
COMMENTS: No basis upon which to disagree with the Dept. of Revenue's analysis. Concur that the bill will not affect the department's operational costs.		

