

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	\$51,855	(\$6,254,000)		(\$6,285,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$51,855	(\$6,254,000)		(\$6,285,000)

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

LB 440 amends Nebraska Revised Statutes to create the Volunteer Emergency Responder Incentive Act.

The Act would provide a refundable income tax credit of \$500 for each individual who qualifies under the criteria established by the bill. The bill establishes a point system for volunteer firefighters, rescue squad members, and emergency responders to determine annual qualifications for the tax credit.

The bill also provides notification responsibilities for the local governing board in respect to certifying eligible individuals and requires that the certification be provided to the Department of Revenue no later than February 15 each year.

The bill would be operative for taxable years beginning on or after January 1, 2014.

The Department of Revenue, based on maximum utilization of the credit, estimates the following fiscal impact to the General Fund as a result of LB 440:

FY2013-14: (\$ 6,254,000)
 FY2014-15: (\$ 6,285,000)
 FY2015-16: (\$ 6,317,000)
 FY2016-17: (\$ 6,348,000)

The Department indicates that LB 440 will require a one-time programming charge of \$51,855 paid to the Office of the CIO to add a line to the Form 1040N, as well as to the NebFile filing system.

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

State Agency Estimate

State Agency Name: Department of Revenue Date Due LFA: 3/11/13
Approved by: Douglas Ewald Date Prepared: 3/8/13 Phone: 471-5896

Table with 3 columns for fiscal years (FY 2013-2014, FY 2014-2015, FY 2015-2016) and 2 sub-columns for Expenditures and Revenue. Rows include General Funds, Cash Funds, Federal Funds, Other Funds, and Total Funds.

LB 440 (Volunteer Emergency Responders Incentive Act) provides a \$500 refundable income tax credit for each tax year a resident individual qualifies as an active emergency responder, active rescue squad member, or active volunteer firefighter under the Act.

LB 440 establishes criteria by which a volunteer may be certified by a village, or rural or suburban fire protection district as qualifying for the credit. A city, village, or rural or suburban fire protection district must annually certify the list of volunteers that qualify as active emergency responders, active rescue squad members, or active volunteer firefighters.

This bill has an operative date of January 1, 2014.

Based on maximum utilization of the credit, it is estimated that the fiscal impact to the General Fund would be as follows:

- FY 2013-14 (\$ 6,254,000)
FY 2014-15 (\$ 6,285,000)
FY 2015-16 (\$ 6,317,000)
FY 2016-17 (\$ 6,348,000)

LB 440 will require a one-time programming charge of \$51,855 paid to the OCIO to add a line to the Form 1040N, as well as to the NebFile online filing system.

Major Objects of Expenditure

Table with 8 columns: Class Code, Classification Title, 13-14 FTE, 14-15 FTE, 15-16 FTE, 13-14 Expenditures, 14-15 Expenditures, 15-16 Expenditures. Rows include Benefits, Operating Costs, Travel, Capital Outlay, Aid, Capital Improvements, and Total.