

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	(\$1,681,000)		(\$1,701,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$51,855	(\$1,681,000)		(\$1,701,000)

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

LB 264 would amend the Nebraska Revenue Act of 1967, Section 77-2715.07 to provide a tax credit against Nebraska state income tax.

For the tax year beginning January 1, 2013 and tax years thereafter, the bill would provide a nonrefundable tax credit of \$500 for a qualified caregiver if the caregiver has a federal adjusted gross income equal to or less than 500% of the federal poverty guidelines and equal to or greater than 250% of the federal poverty guidelines.

For the tax year beginning January 1, 2013 and tax years thereafter, the bill would provide a refundable tax credit of \$500 for a qualified caregiver if the caregiver has a federal adjusted gross income equal to or less than 250% of the federal poverty guideline.

To be a qualified caregiver the taxpayer must care for an individual who is at least 65 years of age, resides in the same abode as the taxpayer, has an income less than or equal to 250% of the federal poverty level and who suffers from a physical, mental, or emotional condition that has lasted at least 180 days. The condition has to make it difficult for the individual to dress, bathe, or get around inside the home.

250% of the federal poverty level for 2013 equals \$27,925 for an individual. 500% of the federal poverty level for 2013 equals \$55,850 for an individual. For a two-adult, two-child family of four, 250% of the poverty level would be \$57,625 and 500% would be \$115,250.

The Department of Revenue estimates the following fiscal impact as a result of LB 264:

FY2013-14:	(\$1,681,000)
FY2014-15:	(\$1,701,000)
FY2015-16:	(\$1,722,000)
FY2016-17:	(\$1,774,000)

The Department estimates a one-time programming cost of \$51,855 paid to the Office of the CIO to add two lines to the Form 1040N, and the NebFile online system.

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: 264	AM:	AGENCY/POLT. SUB: Dept. of Revenue
REVIEWED BY: Lyn Heaton	DATE: 1/30/2013	PHONE: 402.471.4181
COMMENTS: No basis upon which to disagree with the Dept. of Revenue's analysis. The estimated operational cost to implement the bill appears reasonable.		

