## Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)									
	FY 20 <sup>4</sup>	FY 2013-14 FY 2014-15							
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE					
GENERAL FUNDS									
CASH FUNDS		See Below		See Below					
FEDERAL FUNDS									
OTHER FUNDS									
TOTAL FUNDS		See Below		See Below					

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

LB 36 amends Nebraska Revised Statutes Section 76-902, dealing with the documentary stamp tax.

The bill would exempt certified or authenticated death certificates from the documentary stamp tax.

The current documentary stamp tax rate is \$2.25 per \$1,000 of value. Of that amount, \$0.95 is credited to the Affordable Housing Trust Fund; \$0.50 is retained by the county; \$0.30 is credited to the Behavioral Health Services Fund; \$0.25 is credited to the Homeless Shelter Assistance Trust Fund; and \$0.25 is credited to the Site and Building Fund.

The Department of Revenue assumes that the proposed exemption will have the same impact as the average impact of the 24 current exemptions, both in terms of use and dollar value of the transaction. The Department estimated the following fiscal impact:

Fiscal Year:	Affordable Housing Trust Fund:	Homeless Shelter Assistance Fund:	Behavioral Health Services Fund:	Site & Building Fund:	Total:	Counties:
2013-14:	(\$213,000)	(\$56,000)	(\$67,000)	(\$56,000)	(\$392,000)	(\$112,000)
2014-15:	(\$217,000)	(\$57,000)	(\$69,000)	(\$57,000)	(\$400,000)	(\$114,000)
2015-16:	(\$222,000)	(\$58,000)	(\$70,000)	(\$58,000)	(\$408,000)	(\$117,000)

The Department indicates no cost to implement LB 36.

Based on additional information we disagree with the Department of Revenue's estimate of fiscal impact. Based on additional information it appears that most if not all Nebraska counties do not collect the documentary stamp tax on this type of transaction and therefore the fiscal impact is minimal.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES							
LB: 36 AM: AGENCY/POLT. SUB: Dept. of Revenue							
REVIEWED BY: L	REVIEWED BY: Lyn Heaton DATE: 1/23/2013 PHONE: 402.471.4181						
COMMENTS: No basis upon which to disagree with the Dept. of Revenue's analysis as no records are available relative to							
the frequency of ea	ach of the different for	ms of the transac	tions subject to the documentary s	stamp tax.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES								
LB: 36 AM: AGENCY/POLT. SUB: NACO								
REVIEWED BY: Lyn Heaton	DATE: 1/17/2013	PHONE: <u>402.471.4181</u>						
COMMENTS: The bill appears to change existing statute to exempt "certified or authenticated death certificates" rather than "certified or authenticated death certificates <i>pertaining to transfer on death deeds</i> " from the documentary stamp tax. No discernible fiscal impact.								

## Fiscal Note 2013

State Agency Estimate								
State Agency Name: Department of RevenueDate Due LFA:01/23/2013								
Approved by: Douglas Ewald		Date Prepared:	01/18/2013		Phone: 471-5896			
FY 2013-2014 FY 2014-2015 FY 2015-2016								
	<b>Expenditures</b>	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds								
Cash Funds		(\$392,000)		(\$400,000)	· · · · · · · · · · · · · · · · · · ·	(\$408,000)		
Federal Funds								
Other Funds		(\$112,000)		(\$114,000)		(\$117,000)		
Total Funds		(\$504,000)		(\$514,000)		(\$525,000)		
-								

LB 36 would exempt from the documentary stamp tax the transfer of real property by death certificate.

Currently, the Documentary Stamp tax rate is \$2.25 per \$1,000 of value. Counties retain \$0.50 from the \$2.25 collected. Twenty-five cents of the remaining \$1.75 is credited to the Homeless Shelter Assistance Trust Fund, \$0.95 is credited to the Affordable Housing Trust Fund, \$0.30 is credited to the Behavioral Health Services Fund, and \$0.25 is credited to the Site and Building Fund.

Based on an assumption that the new exemption has the same impact as the average impact of the 24 current exemptions, both in terms of their use and the dollar value of the transaction, the estimated impact of the new exemptions is presented below.

	Affordable Housing Trust Fund	Homeless Shelter Assistance Fund	Behavioral Health	Site & Building Fund	County
FY 2013-2014	(\$213,000)	(\$56,000)	(\$67,000)	(\$56,000)	(\$112,000)
FY 2014-2015	(\$217,000)	(\$57,000)	(\$69,000)	(\$57,000)	(\$114,000)
FY 2015-2016	(\$222,000)	(\$58,000)	(\$70,000)	(\$58,000)	(\$117,000)

This estimate is based on the assumption that the exemption takes effect July 1, 2013.

It is estimated that there will be no costs to the Department to implement LB 36.

Major Objects of Expenditure									
Class Code Classification Title 13-14 14-15 15-16 13-14 14-15 1   Class Code Classification Title FTE FTE FTE Expenditures Expenditures Expenditures									
Benefits					•				
Operating Costs									
Travel									
	Capital Outlay								
Aid									
Capital Improvements.	Capital Improvements								
Total	Total								

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB <sup>(1)</sup> 36	FISCAL NOTE						
State Agency OR P	olitical Subdivision Name: (2)	Nebraska Association of County Officials					
Prepared by: <sup>(3)</sup>	Elaine Menzel	Date Prepared: <sup>(4)</sup>	1/14/2013	Phone: <sup>(5)</sup>	402.434.5660, ext. 225		
	ESTIMATE PROVIDE	D BY STATE AGENC	Y OR POLITICAL SU	JBDIVISIO	N		
	<u>FY 20</u> EXPENDITURES	<u>13-14</u> <u>REVENUE</u>	EXPENDITUR	<u>FY 2014-</u> <u>ES</u>	15 <u>REVENUE</u>		
GENERAL FUNI	DS						
CASH FUNDS							
FEDERAL FUND	DS						
OTHER FUNDS							
TOTAL FUNDS							

<u>Return by date specified or 72 hours prior to public hearing, whichever is earlier.</u> Explanation of Estimate:

LB 36 would change an exemption to the documentary stamp tax for transfer on death deeds. The fiscal impact to counties is undetermined. The impact will be dependent upon how many transfer on death deeds are utilized by individuals. The provision for transfers on death is a new provision based on legislation in 2012.

MAJOR OBJECTS OF EXPENDITURE							
Personal Services:							
POSITION TITLE	NUMBER OF <u>13-14</u>	POSITIONS <u>14-15</u>	2013-14 EXPENDITURES	2014-15 <u>EXPENDITURES</u>			
Benefits							
Operating							
Travel							
Capital outlay							
Aid							
Capital improvements							
TOTAL							