

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	\$ 44,338	(\$ 85,286,000)		(\$ 209,556,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$ 44,338	(\$ 85,286,000)		(\$ 209,556,000)

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

LB 327 amends the Nebraska Revenue Act of 1967, Section 77-2715.03 regarding the individual income tax.

For taxable years beginning January 1, 2014 or thereafter, the individual income rates are decreased as follows:

<u>Bracket:</u>	<u>Current Rate:</u>	<u>LB 327 New Rate:</u>
1	2.46%	2.20%
2	3.51%	3.20%
3	5.01%	4.50%
4	6.84%	6.20%

The Department of Revenue estimates the following fiscal impact to the General Fund:

FY2013-14:	(\$ 85,286,000)
FY2014-15:	(\$ 209,556,000)
FY2015-16:	(\$ 221,448,000)
FY2016-17:	(\$ 233,421,000)

The bill will also require a one-time programming charge of \$44,338 paid to the Office of the CIO to change tax rates on the mainframe.

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

