

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2015-16</b>		<b>FY 2016-17</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$75,529	\$0	\$0	(\$12,447,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$75,529</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$12,447,000)</b>

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

LB 470 amends Nebraska Revised Statutes Section 77-2715.07.

The bill provides for a nonrefundable income tax credit of \$500 to an individual who cares for and resides with, for at least six months during the year, an individual who is either physically or mentally incapable of caring for themselves.

The income of the taxpayer seeking the nonrefundable credit must be between 200% and 400% of the federal poverty guidelines, they cannot have claimed the federal credit under Section 22 of the Internal Revenue Code on their federal income tax return, and the income of the person they care for may not exceed 200% of the federal poverty guidelines.

LB 470 also provides for a refundable income tax credit of \$500 to an individual who cares for and resides with, for at least six months during the year, an individual who is either physically or mentally incapable of caring for themselves.

The income of the taxpayer seeking the refundable credit must not exceed 200% of the federal poverty guidelines and the income of the person they care for may not exceed 200% of the federal poverty guidelines.

200% of the 2015 federal poverty guidelines is \$23,540. 400% of the 2015 federal poverty guidelines is \$47,080.

The bill has an operative date of January 1, 2016.

The Department of Revenue estimates the following fiscal impact to the General Fund as a result of LB 470:

FY2015-16:	\$	0
FY2016-17:	(\$	12,447,000)
FY2017-18:	(\$	12,608,000)

The Department of Revenue indicates that LB 470 will require a one-time programming charge of \$75,529 paid to the Office of the CIO to add two lines to the Form 1040N, as well as to the NebFile online filing system.

We have no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>		
LB: 470	AM:	AGENCY/POLT. SUB: Dept. of Revenue
REVIEWED BY: Lyn Heaton	DATE: 3/2/2015	PHONE: 471-4181
COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis.		

