

PREPARED BY: Doug Gibbs  
 DATE PREPARED: January 25, 2016  
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**LB 888**

Revision: 00

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2016-17</b>		<b>FY 2017-18</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 888 amends the Nebraska Job Creation and Mainstreet Revitalization Act regarding historic property tax credits.

The bill provides that tax credits claimed under the Act shall not result in additional retaliatory taxes under Nebraska Revised Statutes Section 44-150 and shall be considered a payment of taxes under Section 77-2734.03 (insurance premium tax).

The bill contains the emergency clause.

We believe that there is no additional overall fiscal impact as a result of the provisions of LB 888 due to the already full utilization of the historic tax credit. However, within the internal structure of the credit there will be a negative impact on those cash funds that receive revenue from the insurance premium tax. The Department of Revenue estimates a total reduction in insurance premium tax in the range of \$1 million to \$3.5 million. We have no basis to disagree with that estimate.

The Department of Revenue estimates the cost to implement LB 888 will be minimal.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: 888	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Robin Kilgore		DATE: 1-26-16	PHONE: 471-4180
COMMENTS: No basis to disagree with agency estimate of fiscal impact.			

