

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$64,348	\$5,721,000		\$14,046,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$64,348	\$5,721,000		\$14,046,000

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

LB 738 amends income tax provisions of the Nebraska Revenue Act of 1967. The bill amends individual income tax brackets and rates for tax years beginning on or after January 1, 2020, to add a fifth bracket for individuals with income over \$2,500,000, or \$5,000,000 for married, filing jointly. The rate for this bracket is 7.84%. The brackets in LB 738 are indexed for inflation in the same manner as under current law.

Revenue:

The Department of Revenue estimates the following revenue to the General Fund:

FY 19-20	\$5,721,000
FY 20-21	\$14,046,000
FY 21-22	\$14,818,000
FY 22-23	\$15,633,000

Expenditures:

The department estimates a one-time programming charge of \$64,348 to OCIO for mainframe and web development costs for the NebFile for individual income tax filing system.

There is no basis to disagree with these estimates.

