

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		(\$68,000)		(\$84,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$68,000)		(\$84,000)

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

LB 263 amends the current election to exclude a portion of military retirement income from federal adjusted gross income. The bill provides that beginning after the operative date of the act, an individual can elect to exclude:

- 40% of the military retirement income for 7 consecutive taxable years beginning with the election year or the year in which the individual begins receiving benefits, whichever is later; or
- 15% of the military retirement income for all taxable years beginning with the year he or she turns 67.

Revenue:

The Department of Revenue estimates revenue to the General Fund as follows:

FY 19-20	(\$68,000)
FY 20-21	(\$84,000)
FY 21-22	(\$98,000)
FY 22-23	(\$110,000)

Expenditures:

The Department of Revenue estimates the costs to implement the bill will be minimal.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 263	AM:	AGENCY/POLT. SUB: Nebraska Department of Revenue (016)
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COMMENTS: No basis to dispute the Nebraska Department of Revenue estimate of potential General Fund Revenue impact to the State from LB 263. The Fiscal Impact to the Department of Revenue itself is estimated by the Agency to be "Minimal."		

