PREPARED BY: DATE PREPARED: PHONE: Keisha Patent March 11, 2019 402-471-0059

LB 315

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 2019-20		FY 20	20-21		
	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 315 amends provisions related to inheritance taxes to exempt proceeds of life insurance receivable by a trustee, of an inter vivos trust or a testamentary trust, for a policy upon the life of the decedent. The provision does not apply if the decedent's estate is the beneficiary of the trust.

LB 315 also provides for an independent proceeding for the sole purpose of determining inheritance tax in the county where the property subject to tax is situated in the absence of any proceeding under Chapter 30, article 24 or 25 of the Nebraska statutes.

This bill is not estimated to have a fiscal impact to the state. The Nebraska Association of County Officials estimates that counties could have a reduction in inheritance tax revenue, but any reduction is not expected to be significant.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 315	AM:	AGENCY/POLT. SUB: Department of Rev	enue		
REVIEWED BY:	Lee Will	DATE: 3/13/2019	PHONE: (402) 471-4175		
COMMENTS: Concur with the Department of Revenue's assessment of no fiscal impact.					

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 315	AM:	AGENCY/POLT. SUB: Nebraska Associa	tion of County Officials (NACO)		
REVIEWED BY:	Lee Will	DATE: 1/23/2019	PHONE: (402) 471-4175		
COMMENTS: Concur with NACO's assessment of fiscal impact not expected to be significant.					

LB 315 Fiscal Note 2019

State Agency Estimate						
State Agency Name: Department of		Date Due LFA:	3/11/2019			
Approved by: Tony Fulton		Date Prepared:	3/7/2019		Phone: 471-5896	
	FY 2019	0-2020	FY 202	0-2021	FY 202	21-2022
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds						
Cash Funds						
Federal Funds						
Other Funds						
Total Funds						
•						

LB 315 adds to § 77-2002 a provision excluding from inheritance tax, life insurance proceeds receivable by a trustee of an inter vivos or testamentary trust from a policy upon the life of the decedent. However, this exclusion does not apply if the decedent's estate is the beneficiary of the trust.

LB 315 amends § 77-2018.02 to establish that the procedures outlined by this section must pertain to independent proceedings "for the sole purpose of determining" inheritance tax. Additionally, it specifies that the notice provisions in subsection (6) must also pertain to a petition filed to initiate an independent proceeding under this section.

It is estimated that the bill will have no impact on General Fund revenues.

It is estimated that there will be no cost to the Department to implement the bill.

Major Objects of Expenditure							
Class Code	Classification Title	19-20 <u>FTE</u>	20-21 <u>FTE</u>	21-22 <u>FTE</u>	19-20 Expenditures	20-21 Expenditures	21-22 Expenditures
D. C.							
Benefits							
Capital Outlay							
Total							

TOTAL.....

LB ⁽¹⁾ 315			FISCAL NOTE
State Agency OR Political Subdivision Name: (2)	Nebraska Association	n of County Officials (N	ACO)
Prepared by: (3) Elaine Menzel	Date Prepared: (4)1/	17/2019 Phone: (5	(402) 434.5660
ESTIMATE PROV	IDED BY STATE AGENCY	OR POLITICAL SUBDIVI	SION
<u>FY</u> <u>EXPENDITURES</u>	2019-20 S <u>REVENUE</u>	<u>FY 202</u> <u>EXPENDITURES</u>	0-21 REVENUE
GENERAL FUNDS			
CASH FUNDS			
FEDERAL FUNDS			
OTHER FUNDS			
TOTAL FUNDS	<u> </u>		
Explanation of Estimate:			
are also not subject to inheritance tax, be decedent's estate is the beneficiary of the LB 315 could result in a loss of revenue to be significant.	e trust.		
	VN BY MAJOR OBJECTS C	OF EXPENDITURE	
Personal Services:	UMBER OF POSITIONS	2019-20	2020-21
POSITION TITLE	<u>19-20</u> <u>20-21</u>	EXPENDITURES	EXPENDITURES
Benefits			
Operating			
Travel			
Capital outlay			
Capital improvements			