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

**LB 349** 

Revision: 00

## **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						
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 349 amends the Nebraska Revenue Act of 1967 to impose sales and use tax on the gross receipts of the rental price of peer-to-peer rentals of automobiles, trucks, trailers, semitrailers, and truck-tractors made through a digital platform or digital medium. "Peer-to-peer rental" is a rental transaction of one individual's property to another individual for short-term use. The bill requires the tax to be collected by the party facilitating the rental.

## Revenue:

The Department of Revenue estimates the impact to the General Fund to be minimal based on the current number of peer-to-peer rentals available in the state.

## **Expenditures:**

The department estimates minimal cost to implement the bill.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE						
LB: 349 AM: AGENCY/POLT. SUB: Department of Revenue						
REVIEWED BY:	Lee Will	DATE: 3/12/2019	PHONE: (402) 471-4175			
COMMENTS: Concur with the Department of Revenue's assessment of minimal fiscal impact to the General Fund.						

LB 349 Fiscal Note 2019

State Agency Estimate								
State Agency Name: Department of I			Date Due LFA:	3/11/19				
Approved by: Tony Fulton		Date Prepared:	3/8/19		Phone: 471-5896			
	FY 2019-2020		FY 2020-2021		FY 2021-2022			
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds	Minimal	Minimal	Minimal	Minimal	Minimal	Minimal		
Cash Funds								
Federal Funds								
Other Funds								
Total Funds	Minimal	Minimal	Minimal	Minimal	Minimal	Minimal		

LB 349 specifies that sales tax on peer-to-peer rentals of automobiles, trucks, trailers, semitrailers, and truck-trailers (motor vehicles and trailers) that are made through a digital platform or other digital medium be collected by the facilitator.

The bill has an operative date of September 6, 2019.

The Department estimates less than 60 motor vehicles and trailers are advertised as available for rent on peer-to-peer digital platforms in Nebraska. With such a small number of motor vehicles and trailers available for rent on peer-to-peer digital platform, the Department estimates LB 349 will have minimal impact to General Fund revenues.

It is estimated that there will be minimal costs to the Department to implement the bill.

Class Code Classification Title FTE FTE Expenditures Expenditures Expenditures  Benefits Operating Costs Travel	Major Objects of Expenditure							
Operating Costs  Travel	Class Code	Classification Title						21-22 Expenditures
Operating Costs  Travel								
Operating Costs	Benefits							
Capital Outlay	Operating Costs							
Capital Improvements.  Total.	Capital Outlay							