

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2019-20</b>		<b>FY 2020-21</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		(\$160,000)		(\$256,000)
CASH FUNDS		(\$8,000)		(\$12,000)
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		(\$168,000)		(\$268,000)

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

LB 279 amends the Nebraska Revenue Act of 1967 to exempt prepared food and food and food ingredients sold by a veterans' service organization that (1) is congressionally chartered, (2) has active chapters in Nebraska, and (3) is exempt from federal income tax.

The bill is operative October 1, 2019.

**Revenue:**

The Department of Revenue estimates revenue to the General Fund, State Highway Capital Improvement Fund, and Highway Allocation Fund, as follows:

Fiscal Year	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund	Total
2019-20	(\$160,000)	(\$8,000)	(\$1,000)	(\$169,000)
2020-21	(\$256,000)	(\$12,000)	(\$2,000)	(\$270,000)
2021-22	(\$264,000)	(\$13,000)	(\$2,000)	(\$279,000)
2022-23	(\$272,000)	(\$13,000)	(\$2,000)	(\$287,000)

**Expenditures:**

The department estimates no costs to implement this bill.

There is no basis to disagree with these estimates.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>		
<b>LB: 279</b>	<b>AM:</b>	<b>AGENCY/POLT. SUB: Nebraska Department of Revenue (016)</b>
REVIEWED BY: Joe Wilcox	DATE: 02/25/2019	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Department of Revenue estimate of potential General Fund Revenue loss to the State from LB 279.		

