Keisha Patent March 18, 2019 402-471-0059

## LB 601

## Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)								
	FY 201	9-20	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 601 amends provisions regarding property exempt from property taxation. The bill removes the limitation that property owned by educational, religious, charitable, or cemetery organizations, or any organization for the exclusive benefit of such organizations must not be used for the sale of alcoholic liquors for more than 20 hours per week in order to be exempt from property taxation.

The Department of Revenue estimates a minimal impact on General Fund revenue and minimal cost to implement the bill. The Nebraska Association of County Officials estimates the impact to counties is unknown but is expected to be insignificant.

Any decrease in property tax valuation due to the provisions of LB 601 will affect local resources in the state aid formula pursuant to the Tax Equity and Educational Opportunities Support Act, having an impact on General Fund expenditures. It is not possible to estimate the amount but is expected to be minimal.

The Department of Revenue estimates no cost to implement the bill.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE							
LB: 601	AM:	AGENCY/POLT. SUB: Department of Revenue					
REVIEWED BY:	Lee Will	DATE: 3/11/2019	PHONE: (402) 471-4175				
COMMENTS: Concur with the Department of Revenue's assessment of minimal fiscal impact.							

LB: 601	AM:	AGENCY/POLT. SUB: Nebraska Asso	POLT. SUB: Nebraska Association of County Officials (NACO)		
REVIEWED BY:	Lee Will	DATE: 1/31/2019	PHONE: (402) 471-4175		

## Fiscal Note 2019

State Agency Estimate								
State Agency Name: Department of	Revenue				Date Due LFA:	2/15/19		
Approved by: Tony Fulton		Date Prepared:	1/25/19		Phone: 471-5896			
	FY 201	9-2020	<u>FY 202</u>	20-2021	<b>FY 20</b> 2	21-2022		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds		Minimal		Minimal		Minimal		
Cash Funds								
Federal Funds								
Other Funds								
Total Funds		Minimal		Minimal		Minimal		

**T** 4

**a**, ,

LB601 amends Neb. Rev. Stat. § 77-202 to remove any limitation on the sale of alcohol from property tax exemption requirements for property owned by educational, religious, charitable, or cemetery organizations, or any organization for the exclusive benefit thereof.

It is estimated that this bill will have minimal impact on General Fund revenues.

It is estimated that there will be minimal costs to the Department to implement this 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 <u>Expenditures</u>	20-21 <u>Expenditures</u>	21-22 <u>Expenditures</u>	
Benefits								
Operating Costs								
Travel								
Capital Outlay								
	Capital Improvements							
Total								

Please complete <u>ALL</u> (5) blanks in the first three lines.

LB <sup>(1)</sup> 601				<b>FISCAL NOTE</b>			
State Agency OR P	olitical Subdivision Name: <sup>(2)</sup>	Nebraska Association of County Officials (NACO)					
Prepared by: <sup>(3)</sup>	Elaine Menzel	Date Prepared: <sup>(4)</sup>	1/28/2019 Pho	one: <sup>(5)</sup> (402) 434.5660			
	ESTIMATE PROVI	DED BY STATE AGEN	ICY OR POLITICAL SUP	BDIVISION			
	<u>FY s</u> EXPENDITURES	2019-20 <u>REVENUE</u>	<u>EXPENDITURES</u>	<u>X 2020-21</u> <u>REVENUE</u>			
GENERAL FUNI	DS						
CASH FUNDS							
FEDERAL FUND	DS						
OTHER FUNDS							
TOTAL FUNDS							

**Explanation of Estimate:** 

LB 601 would eliminate the prohibition against the sale of alcoholic liquors for more than 20 hours per week to maintain an exemption from real property taxes for educational, religious, charitable, or cemetery organizations. The impact to counties is unknown; however, it is not expected to be significant.

<u>BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE</u>								
Personal Services:								
POSITION TITLE	NUMBER OI <u>19-20</u>	F POSITIONS <u>20-21</u>	2019-20 <u>EXPENDITURES</u>	2020-21 EXPENDITURES				
Benefits								
Operating								
Travel								
Capital outlay								
Aid								
Capital improvements								
TOTAL								