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 DATE PREPARED: February 25, 2008
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LB 1071

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$68,880	See Below	\$27,858	See Below
CASH FUNDS		\$805,000		\$837,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$68,880	\$805,000	\$27,858	\$837,000

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 1071 imposes an excise tax on wire transfers originating in the state. The tax rate is 1% of the amount of the wire transfer. The tax is to be remitted to the Department of Revenue for credit to the Tax Equity and Educational Opportunities Fund. The Tax Commissioner is to prescribe rules and reporting forms for the excise tax.

The Department of Revenue estimates increased revenue for the Tax Equity and Educational Opportunities Fund of \$805,000 in 2008-09, \$837,000 in 2009-10, and \$870,000 in 2010-11*. The department also projects the need for an additional .5 Revenue Auditor Senior to implement the bill at a cost of \$27,180 of general funds in 2008-09 and \$27,858 in 2009-10. One-time computer programming expenses of \$41,700 of general funds are estimated in 2008-09 to administer the new tax.

*The revenue is shown as deposited in the Tax Equity and Educational Opportunities Fund. The fund does not technically exist because appropriations for state aid to schools are made directly from the General Fund.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/26/08	PHONE	471-2526
COMMENTS					
NEBRASKA DEPARTMENT OF EDUCATION: It is assumed the additional revenue from the bill will allow a reduction to General Fund appropriations for TEEOSA state aid.					
DEPARTMENT OF REVENUE: No basis upon which to disagree.					