

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

**ESTIMATE OF FISCAL IMPACT – STATE AGENCIES \***

	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	18,500	(37,382,000)		(\$122,060,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	18,500	(37,382,000)		(\$122,060,000)

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

LB 863 changes the income tax brackets for the tax years beginning on or after January 1, 2009. The changes are as follows:

Type of Return	Current Income Ranges			
Single	\$0 - \$2,400	\$2,400 - \$17,500	\$17,500 - \$27,000	\$27,000 and above
Married filing joint	\$0 - \$4,800	\$4,800 - \$35,000	\$35,000 - \$54,000	\$54,000 and above
Head-of-household	\$0 - \$4,500	\$4,500 - \$28,000	\$28,000 - \$40,000	\$40,000 and above
Married filing separate	\$0 - \$2,400	\$2,400 - \$17,500	\$17,500 - \$27,000	\$27,000 and above
Estates and Trusts	\$0 - \$500	\$500 - \$4,700	\$4,700 - \$15,150	\$15,150 and above

Type of Return	Proposed Income Ranges			
Single	\$0 - \$5,000	\$5,000 - \$20,000	\$20,000 - \$35,000	\$35,000 and above
Married filing joint	\$0 - \$10,000	\$10,000 - \$40,000	\$40,000 - \$70,000	\$70,000 and above
Head-of-household	\$0 - \$9,500	\$9,500 - \$32,000	\$32,000 - \$52,500	\$52,500 and above
Married filing separate	\$0 - \$5,000	\$5,000 - \$20,000	\$20,000 - \$35,000	\$35,000 and above
Estates and Trusts	\$0 - \$1,000	\$1,000 - \$5,000	\$5,000 - \$20,000	\$20,000 and above

The Department of Revenue estimates one-time programming and testing costs of \$18,500. This estimates appears to be reasonable. The Department of Revenue estimates the General Fund revenue loss due to the widening of the tax brackets to be as follows. There is no basis to disagree with these estimates.

Fiscal Year	General Fund Revenue Loss
FY2008-09	(\$37,382,000)
FY2009-10	(\$122,060,000)
FY2010-11	(\$129,511,000)
FY2011-12	(\$137,460,000)
FY2012-13	(\$145,522,000)