

Updated to correct narrative.

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 913 decreases the rate of inheritance tax from thirteen percent to ten percent of clear market value of the property received in excess of fifteen thousand dollars under section 77-2005. This section applies to an uncle, aunt, niece, or nephew of the deceased. This change applies to all property which passes from a decedent dying on or after January 1, 2008.

Since the state does not receive any inheritance taxes, the provisions of LB 913 have no fiscal impact to the state.

IMPACT ON POLITICAL SUBDIVISIONS: The rate change contained in LB 913 is estimated to result in a revenue reduction to nine counties of approximately \$530,000 per year. This estimate was provided by the Nebraska Association of County Officials (NACO). This estimate is based on historic levels of inheritance taxes received throughout the state. An accurate amount of impact on a county-by-county basis for the state as a whole cannot be determined. It should be noted that this impact on political subdivisions is representative and not intended to capture the entire impact on all counties of the state.

The nine counties for which this \$530,000 revenue loss would be realized are as follows. The figures do not exactly match the totals due to rounding.

<u>County</u>	<u>Current</u>	<u>Proposed</u>	<u>Lost Revenue</u>
Brown	\$21,172	\$16,286	\$4,886
Buffalo	\$357,744	\$275,188	\$82,556
Fillmore	\$308,189	\$237,069	\$71,120
Gage	\$570,564	\$438,895	\$131,668
Hamilton	\$75,400	\$58,000	\$17,400
Red Willow	\$110,465	\$84,973	\$25,491
Rock	\$38,952	\$29,963	\$8,988
Sarpy	\$718,355	\$552,581	\$165,774
Webster	\$95,639	\$73,568	\$22,070
Totals	\$2,296,484	\$1,766,526	\$529,957