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**LB 1012**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2008-09</b>		<b>FY 2009-10</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	44,500	(19,506,000)		(20,053,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>44,500</b>	<b>(19,506,000)</b>		<b>(20,053,000)</b>

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

LB 1012 provides a nonrefundable income tax credit equal to 25% of premiums paid for long term health insurance. The credit is limited to \$500 per policy or the liability of the taxpayer. The bill has an operative date of January 1, 2008.

Based on approximately 45,000 long term health insurance policies in the State, the Department of Revenue estimates the following revenue impact:

<u>Fiscal Year</u>	<u>Revenue</u>
2008-09	(19,506,000)
2009-10	(20,053,000)
2010-11	(20,616,000)

The Department of Revenue estimates \$44,500 in one time programming expenses.

IMPACT ON POLITICAL SUBDIVISIONS: This bill does not appear to have a material fiscal impact on political subdivisions.