

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2020-21</b>		<b>FY 2021-22</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$59,540		\$21,600	(\$30,190,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	\$59,540		\$21,600	(\$30,190,000)

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 891 amends the Revenue Act of 1967 to allow a nonrefundable tax credit against individual income tax if an individual's income included overtime pay. The credit equals 6.84% of the amount of overtime pay included in wages. The bill defines "overtime pay" and "reported wages." The credit is available for tax years beginning on or after January 1, 2021.

**Revenue:**

The Department of Revenue estimates revenue to the General Fund as follows:

FY 2020-2021	\$0
FY 2021-2022	(\$30,190,000)
FY 2022-2023	(\$31,125,000)

**Expenditures:**

The department estimates a one-time programming charge of \$59,490 to OCIO for mainframe and web development changes and expenditures for 0.5 FTE Revenue Operations Clerk II beginning in FY 21-22.

There is no basis to disagree with these estimates.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 891	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Lee Will	DATE: 02/03/2020	PHONE: (402) 471-4175	
COMMENTS: The Department of Revenue's assessment of fiscal impact seems reasonable given the assumptions used.			

