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LB 1088

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	502,310	(37,500,000)	454,400	(52,500,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	502,310	(37,500,000)	454,400	(52,500,000)

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

LB 1088 eliminates the limit on tax credits under the Nebraska Advantage Microenterprise Tax Credit Act. Current law places that limit in a given year at two million dollars plus tentative tax credits that were not granted by the end of the preceding year.

The Department of Revenue estimates the need to hire eleven FTE (1.0 Audit Manager plus 10.0 Revenue Operations Specialists) to administer the provisions of the bill. These additional FTE would address the greater number of applications that would be anticipated under the bill's provisions.

Furthermore, the Department estimates a General Fund Revenue loss of (\$37,500,000) in the first fiscal year with larger losses in each progressive year. The loss is attributable to greater tax credits being offered.

There is no basis to disagree with these estimates.