

PREPARED BY: Keisha Patent
 DATE PREPARED: February 17, 2022
 PHONE: 402-471-0059

LB 1168

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$105,660	(\$20,946,000)		(\$51,841,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$105,660	(\$20,946,000)		(\$51,841,000)

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

LB 1168 provides for a reduction to federal adjusted gross income, beginning in taxable years on or after January 1, 2023, by the amount of expenses paid during the year for medical care. This does not include amounts reimbursed by insurance, as well as any amounts already deducted from FAGI.

Medical care expenses for an individual taxpayer includes care for themselves, as well as their spouse and dependents. Dependent is defined the same as Internal Revenue Code section 152, and medical care is defined the same as Internal Revenue Code section 213.

REVENUE:

The Department of Revenue estimates the following impact on the General Fund:

FY22-23: (\$20,946,000)
 FY23-24: (\$51,841,000)
 FY24-25: (\$55,730,000)
 FY25-26: (\$59,910,000)

EXPENDITURES:

The department estimates a one-time cost of \$105,660 for a programming charge to OCIO to implement the bill.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1168	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Neil Sullivan	DATE: 2/17/2022	PHONE: (402) 471-4179	
COMMENTS: No basis to disagree with the Department of Revenue assessment of fiscal impact from LB 1168.			

