PREPARED BY: DATE PREPARED: PHONE: Bill Biven, Jr. February 02, 2022 402-471-0054 **LB 1017**

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 2022-23		FY 20	23-24			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS							

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

LB1017 amends §30-3850 & §30-3881 to change provisions within the Nebraska Uniform Trust Code related to creditors' claims against settlors & the powers that trustees have concerning the settlor's creditors.

No Fiscal Impact.

ADMIN	IISTRATIVE SERVI	CES STATE BUDGET DIVISION: REVIEW OF	AGENCY & POLT. SUB. RESPONSE
LB: 1017	AM:	AGENCY/POLT. SUB: Nebraska Departn	nent of Revenue (16)
REVIEWED I	BY: Joe Wilcox	DATE: 02/04/2022	PHONE: (402) 471-4178
COMMENTS from LB 1017	•	e the Nebraska Department of Revenue estimate	e of No Fiscal Impact to the Agency

LB: 1017	AM:	AGENCY/POLT. SUB: Nebraska Suprem	e Court (05)
REVIEWED E	BY: Joe Wilcox	DATE: 02/02/2022	PHONE: (402) 471-4178
COMMENTS	: No basis to dispute	the Nebraska Supreme Court estimate of No F	iscal Impact to the Courts from LB 1017.

LB 1017 Fiscal Note 2022

		State Agency	Estimate			
State Agency Name: Department	of Revenue (DOR)				Date Due LFO:	
Approved by: Tony Fulton		Date Prepared:	2/4/2022		Phone: 471-5896	
	FY 2022	2-2023	FY 202	3-2024	FY 2024	l-202 <u>5</u>
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$ 0		\$ 0		\$ 0
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		\$ 0		\$ 0		\$ 0

LB 1017 amends the Nebraska Uniform Trust code by adding language to Neb. Rev. Stat. § 30-3850 to make it clear that a trustee's discretionary authority to directly pay or reimburse the settlor for the amount of taxes due on the trust principal or income will not be construed as a distribution to the settlor nor can such amount be reached by a settlor's creditors or assignees based solely on the use of this discretionary authority by the trustee. Additionally, a settlor will not be considered to be a beneficiary of an irrevocable trust based solely on the use of this discretionary authority by the trustee.

LB 1017 also adds detail to Neb. Rev. Stat. § 30-3881 to make it clear that trustees may use such discretionary authority as described above except when the trustee is a related or subordinate party to the settlor and can't use this authority when it would (1) would cause the inclusion of the trust assets in the settlor's gross taxable estate for federal estate tax purposes at the time of use of the authority or (2) is inconsistent with the qualification of all or any portion of the trust for the federal gift or estate tax marital deduction, to the extent the trust is intended to qualify for such deduction.

It is estimated that this bill will have no impact on General Fund revenues.

It is estimated that there will be no cost to DOR to implement this bill.

The operative date for this bill is three months after adjournment.

Major Objects of Expenditure							
Class Code	Classification Title	22-23 <u>FTE</u>	23-24 <u>FTE</u>	24-25 <u>FTE</u>	22-23 Expenditures	23-24 Expenditures	24-25 Expenditures
Operating Costs							
Travel							
	's						
Total					· · · · · · · · · · · · · · · · · · ·		

TOTAL....

LB ⁽¹⁾ 1017			FISCAL NOTE
State Agency OR Political Subdivision Nam	05 Supreme Court		
Prepared by: (3) Eric Asboe	Date Prepared: (4)	2/1/22 Phone: 6	5) 402-326-9215
ESTIMATE P	ROVIDED BY STATE AGENO	CY OR POLITICAL SUBDIV	ISION
	FY 2022-23	FY 202	23-24
EXPENDITU		EXPENDITURES	REVENUE
GENERAL FUNDS			
CASH FUNDS			
FEDERAL FUNDS			
OTHER FUNDS			
TOTAL FUNDS			
Explanation of Estimate:			
No fiscal impact.			
	DOWN BY MAJOR OBJECTS	OF EXPENDITURE	
Personal Services:	NUMBER OF POSITIONS	2022-23	2023-24
POSITION TITLE	<u>22-23</u> <u>23-24</u>	EXPENDITURES	EXPENDITURES
			
Benefits			
Operating			
Travel			
Capital outlay			
Aid			
Capital improvements			