PREPARED BY: DATE PREPARED: PHONE: Austin Ligenza January 11, 2022 (402)471-0050

**LB 951** 

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				(\$19,532,000)			
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS				(\$19,532,000)			

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

LB 951 amends provisions related to the earned income tax credit.

Currently, taxpayers receiving a federal earned income tax credit may claim a refundable credit equal to 10% of the federal credit. LB 951 would increase this amount to 17% of the federal credit received, beginning in taxable years on or after January 1, 2023.

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

- FY22-23: \$0
- FY23-24: (\$19,532,000)
- FY24-25: (\$19,727,000)

The Department of Revenue estimates no costs to implement LB 951.

## LB 0951 Fiscal Note 2022

State Agency Estimate								
State Agency Name: Department of Revenue			Date Due LFO:					
Approved by: Tony Fulton		Date Prepared: 1/25/2022 Phone: 471-5896						
	FY 2022-2023		FY 2023-2024		FY 2024-2025			
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds		\$ 0		(\$ 19,532,000)		(\$ 19,727,000)		
Cash Funds								
Federal Funds								
Other Funds								
Total Funds		\$ 0		(\$ 19,532,000)		(\$ 19,727,000)		

LB 951 increases the earned income tax credit. The credit would remain 10% of the federal credit for any tax year before 2023. It will increase to 17% of the federal credit beginning with tax year 2023 and thereafter.

It is estimated that LB 951 will have the following fiscal impact on General Fund revenues:

FY 2022-23 \$ 0 FY 2023-24 \$ 19,532,000 FY 2024-25 \$ 19,727,000

LB 951 will become operative three months after adjournment.

It is estimated that there will be minimal costs to Department of Revenue (DOR) to implement this bill.

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	
	Benefits.							
Operating Costs	Operating Costs.							
Travel	Travel							
Capital Outlay.								
Capital Improvements								
Total					·			