

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				(419,675,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				(419,675,000)

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

LB 242 makes changes to the school district property tax credits provided by the Property Tax Incentive Credit Act. The allowable growth percentage for the total assessed value of all real property in the state from the prior year to the current year of 5% is eliminated under this bill. For taxable year 2024, the credit percentage would be set so that the total amount of credits would be \$1 billion. For taxable year 2025 and after, the credit percentage would be set so that the total amount of credits for such taxable years would be the maximum amount of credits allowed in the prior year increased by the allowable growth percentage.

The Department of Revenue (DOR) estimates the following reduction to General Fund revenue from the bill:

- FY 23-24: \$ -
- FY 24-25: (\$419,675,000)
- FY 25-26: (\$434,364,000)
- FY 26-27: (\$449,567,000)

The DOR estimates that there will be no costs to it to implement this bill.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 242	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Neil Sullivan	DATE: 2/7/2023	PHONE: (402) 471-4179
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 242 appears reasonable.		

