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 DATE PREPARED: March 08, 2007
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LB 683

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(13,820,000)		(14,322,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(13,820,000)		(14,322,000)

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

LB 683 increases the earned income tax credit taken at the state level from 8% of the federal credit to 15% of the federal credit.

The Department of Revenue notes that 110,335 Nebraska resident taxpayers took this credit at the federal level in tax year 2005. The Department estimates the following revenue impact:

<u>Fiscal Year</u>	<u>Revenue</u>
2007-08	(13,820,000)
2008-09	(14,322,000)
2009-10	(14,824,000)
2010-11	(15,327,000)

The Department estimates minimal implementation costs.

IMPACT ON POLITICAL SUBDIVISIONS: This bill does not appear to have a material fiscal impact on political subdivisions.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE 3/8/07	PHONE 471-2526
COMMENTS			
DEPARTMENT OF REVENUE: The agency analysis appears reasonable.			