

PREPARED BY: John Wiemer
 DATE PREPARED: February 14, 2025
 PHONE: 402-471-0051

LB 710

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2025-26		FY 2026-27	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$28,541,000)		(\$28,826,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$28,541,000)		(\$28,826,000)

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

LB 710 changes the refundable income tax credit on earned income. The bill changes the credit from 10% to 20% of the federal credit allowed beginning taxable years on or after January 1, 2025.

The Department of Revenue (DOR) estimates the following decrease to General Fund revenues as a result of the bill:

- FY 25-26: (\$28,541,000)
- FY 26-27: (\$28,826,000)
- FY 27-28: (\$29,114,000)
- FY 28-29: (\$29,405,000)

The DOR estimates minimal costs to it 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: 710	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Ryan Yang	DATE: 2/14/2025	PHONE: (402) 471-4178	
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 710 appears reasonable.			

