

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	\$90,200		\$88,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$90,200		\$88,000	

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

LB 613 amends section 77-2711 (13) to provide that notwithstanding the provisions of subsection (7) of the same section, the Tax Commissioner shall, upon request, provide any municipality which has adopted the local sales tax under the Local Option Revenue Act with a list of the names and addresses of the retailers which have collected the local option sales tax for the municipality and any additional information requested by the municipality so long as the information does not include any data detailing the specific revenue, expenses, or operations of any particular business. A request may be made no greater than three times annually.

The bill amends section 77-2711 (14) regarding individuals certified under subdivision (b) of this subsection requesting the specified tax information from the Department of Revenue (DOR). If the certified individual requests that copies of such returns and return information be sent to him or her by electronic transmission, the Tax Commissioner shall abide by the request and send such information secured in a manner as determined by the Tax Commissioner. The certified individual may disclose the copies of the specified tax information to another municipal employee for purposes of:

- Verifying the accuracy of the collection, analysis, and forecasting;
- Verifying the accuracy of the allocation made between various municipalities of the tax due; or
- Verifying the taxes are used according to the purpose voted on by the people of the municipality.

A certified individual shall not disclose to any person any information obtained pursuant to a review under this subsection other than for the purposes described in this subsection. A certified individual shall remain subject to this subsection after he or she is no longer certified or is no longer in the employment of or under contract with the certifying municipality.

The bill adds section 77-27,144 (7)(b) to provide that the municipality may request from the DOR a list of the qualifying businesses which have filed an application to receive tax incentives under the Employment and Investment Growth Act, the Nebraska Advantage Act, the ImagiNE Nebraska Act, or the Urban Redevelopment Act. The request may be made annually and shall be submitted to the DOR on or before June 30 of each year.

The DOR estimates the need for 1.0 FTE Tax Specialist as a result of this bill. There is no basis to disagree with this estimate.

State Agency Estimate

State Agency Name: Department of Revenue				Date Due LFO:			
Approved by: James R. Kamm				Date Prepared: 02/14/2025			
				Phone: 471-5896			
	FY 2025-2026			FY 2026-2027			FY 2027-2028
	Expenditures	Revenue		Expenditures	Revenue		Expenditures Revenue
General Funds	\$ 90,200	\$ 0		\$ 88,000	\$ 0		\$ 88,000 \$ 0
Cash Funds							
Federal Funds							
Other Funds							
Total Funds	\$ 90,200	\$ 0		\$ 88,000	\$ 0		\$ 88,000 \$ 0

Current law allows a municipality that has a local sales tax to request a list of just the ‘names and addresses’ of any retailers that collects local sales tax for their city. LB 613 allows that these cities can also receive any additional information as long as the information does not include any data detailing the specific revenue, expense, or operations of any particular business. This request can be made no greater than three times annually.

LB 613 provides that the Department of Revenue (DOR) must send electronically the requested sales and use tax information to the individual certified by a municipality to receive confidential sales and use tax returns and return information. This requested information must only be for a retailer that is located within the boundaries of the municipality.

The bill also allows the individual certified to receive confidential information to disclose this information to another municipal employee for the purposes of (i) verifying the accuracy of the collection, analysis, and forecasting, (ii) verifying the accuracy of the allocation made between various municipalities of the tax due, or (iii) verifying the taxes are used according to the purpose voted on by the people of the municipality.

LB 613 requires a qualifying business that has filed an application for tax incentives under the Employment and Investment Growth Act, the Nebraska Advantage Act, the ImagiNE Act, or the Urban Development Act provide to the municipality on or before June 30 each year the aggregate date of the maximum amount the qualifying business is eligible to receive in the current year in refunds of local sales and use tax and exemptions of the previous year, and an estimate of annual refunds of local sales and use tax such business intends to claim in each future year.

LB 613 states that the municipality may request from DOR a list of the qualifying businesses which have filed an application for incentives under the Employment and Investment Growth Act, the Nebraska Advantage Act, the ImagiNE Act, or the Urban Development Act. This request may be made annually and submitted to DOR on or before June 30 of each year.

The operative date for LB 613 is three months after adjournment of the Legislature.

It is estimated that LB 613 will require 1.0 FTE Tax Specialist to implement this bill.

Major Objects of Expenditure							
Class Code	Classification Title	25-26 FTE	26-27 FTE	27-28 FTE	25-26 Expenditures	26-27 Expenditures	27-28 Expenditures
A29621	Revenue Tax Specialist	1.0	1.0	1.0	\$ 64,100	\$ 66,200	\$ 66,200
Benefits.....					\$ 21,100	\$ 21,800	\$ 21,800
Operating Costs.....							
Travel.....							
Capital Outlay.....					\$ 5,000		
Capital Improvements.....							
Total.....					\$ 90,200	\$ 88,000	\$ 88,000