

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		(\$120,000,000)		(\$242,000,000)
CASH FUNDS	\$120,000,000	\$120,000,000	\$242,000,000	\$242,000,000
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$120,000,000	\$0	\$242,000,000	\$0

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

LB 564 amends the School District Property Tax Relief Act.

Under the bill, the property tax credit under the Act remains at \$750 million for tax year 2024 as well as the transfer language to the School District Property Tax Relief Credit Fund. The bill then amends provisions so that for tax year 2025 and each tax year thereafter, the total amount of relief granted under the Act shall be the total amount of relief from the prior year increased by \$150 million and amends the connected intent language to transfer funds for this relief from the General Fund to the School District Property Tax Relief Credit Fund under the Act.

The bill contains the emergency clause.

The Department of Revenue (DOR) estimates the following decrease to General Fund revenues as a result of this bill with corresponding credits to the School District Property Tax Relief Credit Fund and expenditures out of the Fund of the same, but positive, amounts:

- FY26: (\$120,000,000)
- FY27: (\$242,000,000)
- FY28: (\$362,000,000)
- FY29: (\$480,000,000)

The DOR estimates minimal costs to it to implement the bill.

There is no basis to disagree with these estimates by the DOR. The intent language to transfer from the General Fund to the School District Property Tax Relief Credit Fund would be carried out in an A-bill to fully fund the credit amounts under this bill.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 564	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Ryan Yang	DATE: 3/4/2025	PHONE: (402) 471-4178
COMMENTS: Concur with the Department of Revenue assessment of General Fund and cash fund impact by LB 564.		

