

PREPARED BY: Doug Gibbs  
 DATE PREPARED: March 03, 2009  
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**LB 161**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2009-10</b>		<b>FY 2010-11</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 161 would adopt the Business Provided Sales Tax Holiday Act, with an operative date of August 1, 2009.

The bill would allow retailers to provide a "sales tax holiday" from state and local option sales taxes beginning on the first Friday in August through the following Sunday.

Participating retailers could choose any tangible personal property sold at retail to be designated by the retailer as items for which no sales tax will be collected during the sale tax holiday period. State and local option sales tax on the items so designated is still due and payable to the state and is to be paid by the retailer not the purchaser. A participating retailer may not collect sales tax on these items from the purchaser.

The bill would allow a participating retailer to advertise that the sales are tax-free and that the retailer will absorb the tax. Current law prohibits such advertising.

LB 161 would also allow a participating retailer to combine the tax and the price. Current law requires that the sales tax be displayed separately from the retail price.

The bill contains the emergency clause and has a termination date of December 31, 2010.

LB 161 would have no fiscal impact to the General Fund.

The Department of Revenue estimates there would be no cost to the Department to implement LB 161.

**IMPACT TO POLITICAL SUBDIVISIONS:**

There is no fiscal impact to political subdivisions associated with this bill.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	3/10/09	PHONE	471-2526
COMMENTS					
DEPARTMENT OF REVENUE: No basis upon which to disagree.					