

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)					
EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	0	SEE BELOW	0	0	SEE BELOW
FY2028-2029	0	SEE BELOW	0	0	SEE BELOW
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	0	0	0	0
FY2027-2028	SEE BELOW	SEE BELOW	0	0	SEE BELOW
FY2028-2029	SEE BELOW	SEE BELOW	0	0	SEE BELOW

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

LB 990 renames the School District Property Tax Relief Act the Live Here Thrive Here Act.

The bill amends section 77-4602 to provide that the transfer currently in statute going to the School District Property Tax Relief Credit Fund based on General Fund actual receipts and the certification amount now goes to the Live Here Thrive Here Credit Fund.

The bill also provides that beginning in tax year 2027 and each tax year thereafter, the property tax credits granted under the Act shall only be granted to real property owners that are resident individuals.

The bill is operative three months after adjournment of the Legislature.

The Department of Revenue (DOR) notes that the credits are now limited to resident individuals under the bill while the methods of disbursement of the credits remains unchanged in statute. As a result, credits associated with nonresident and investor/entity owned parcels go unused and are returned to the Live Here Thrive Here Credit Fund. The DOR estimates that approximately \$295 million of the \$838 million allocated for tax year 2027 would be unused and returned to the Live Here Thrive Here Credit Fund. These unused credits would remain in this Fund until the following year, at which point the process would repeat.

We also estimate additional money in the Live Here Thrive Here Credit Fund from the return of credits could reduce the General Fund transfer into the Live Here Thrive Here Credit Fund while still meeting the minimum amount of relief mandated under the Act or provide for additional amounts of property tax relief certified above the minimum under the Act.

The DOR estimates minimal costs to it to implement the bill. There is no basis to disagree with this estimate.

Lancaster County estimates that this bill would increase administrative workload for the county, including eligibility determination, system configuration, taxpayer communication, and potential appeals.

The Nebraska Association of County Officials estimates the need for software configurations of minimal cost to identify resident individuals for purposes of implementing the bill.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: **990** AM: AGENCY/POLT. SUB: **Department of Revenue**

REVIEWED BY: Kimberly Burns DATE: 02/13/2026 PHONE: (402) 471-4171

COMMENTS: The Department of Revenue's assessment of potential impact to revenue and estimate of minimal fiscal impact for the agency from LB 990 appears reasonable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: **990** AM: AGENCY/POLT. SUB: **Nebraska Association of County Officials (NACO)**

REVIEWED BY: Kimberly Burns DATE: 01/23/2026 PHONE: (402) 471-4171

COMMENTS: The Nebraska Association of County Officials' estimate of minimal impact resulting from LB 990 appears reasonable.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: **990** AM: AGENCY/POLT. SUB: **Lancaster County, Nebraska**

REVIEWED BY: Kimberly Burns DATE: 01/22/2026 PHONE: (402) 471-4171

COMMENTS: No basis to disagree with Lancaster County's assessment of fiscal impact from LB 990.

Please complete ALL (5) blanks in the first three lines.

2026

LB⁽¹⁾ 990

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

Lancaster County, Nebraska

Prepared by: ⁽³⁾ Dennis Meyer

Date Prepared: 1/20/2026
⁽⁴⁾

Phone: ⁽⁵⁾ 402-441-6869

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

LB990 will not directly affect Lancaster County's revenue. Beginning with tax year 2027, LB990 restricts eligibility for the school district property tax credit to resident individuals. This change is expected to increase administrative workload for Lancaster County, including eligibility determination, system configuration, taxpayer communication, and potential appeals.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27 EXPENDITURES</u>	<u>2027-28 EXPENDITURES</u>
	<u>26-27</u>	<u>27-28</u>		
Benefits.....				
...				
Operating.....				
....				
Travel.....				
.				
Capital outlay.....				
Aid.....				
.				
Capital improvements.....				
TOTAL.....				

Please complete ALL (5) blanks in the first three lines.

2026

LB⁽¹⁾ 990

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel Date Prepared: ⁽⁴⁾ 1/16/2026 Phone: ⁽⁵⁾ 402.434.5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB990 would rename the School District Property Tax Relief Act as the Live Here Thrive Here Act and the School District Property Tax Relief Credit Fund as the Live Here Thrive Here Credit Fund and change the distribution of property tax credits under the act. Beginning in tax year 2027 and each tax year thereafter, property tax credits granted under the act would be granted to resident individuals only. Resident individual means an individual who is domiciled in Nebraska or who maintains a permanent place of abode in this state and spends in the aggregate more than six months of the taxable year in this state.

Software modifications would be required to identify resident individuals for purposes of implementing LB990 if it were to be enacted. The fiscal impact would be minimal.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

