

**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	0	0	0	0
FY2028-2029	0	0	0	0	0
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	20,823,000	0	0	0	20,823,000
FY2027-2028	14,145,000	0	0	0	14,145,000
FY2028-2029	8,487,000	0	0	0	8,487,000

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

LB846 would amend Neb. Rev. Stat § 77-2716.01 to change the amount of deductions allowed for tax years beginning on or after January 1, 2026. The bill would prevent taxpayers from claiming larger deductions for state and local taxes (SALT) available until the expanded SALT cap in §164(b)(7) of the Internal Revenue Code of 1986 expires after tax year 2029 and returns to a maximum of \$10,000.

The Department of Revenue estimates that the impact of LB846 on the General Fund income tax receipts would be as follows:

- FY2025-26 \$0
- FY2026-27 \$20,823,000
- FY2027-28 \$14,145,000
- FY2028-29 \$ 8,487,000

The Department estimates that there will be no cost to implement the provisions of LB 846.

There is no basis to disagree with the Department’s estimates.

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

LB: 846      AM:      AGENCY/POLT. SUB: Department of Revenue

REVIEWED BY: Ryan Yang      DATE: 2/17/2025      PHONE: (402) 471-4178

COMMENTS: The Department of Revenue assessment of fiscal impact from LB 846 appears reasonable.

