

**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	1,161,000	41,000	0	0	1,202,000
FY2027-2028	1,793,000	73,000	0	0	1,866,000
FY2028-2029	1,847,000	75,000	0	0	1,922,000

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

LB 1023 removes the sales and use tax exemption for admission to a nationally accredited zoo or aquarium operated by a public agency or nonprofit corporation primarily for educational, scientific, or tourism purposes.

The bill is operative on October 1, 2026.

The Department of Revenue (DOR) estimates the following revenue increases:

Fiscal Year	General Fund	Highway Trust Fund	Highway Allocation Fund
FY27	\$1,161,000	\$41,000	\$7,000
FY28	\$1,793,000	\$73,000	\$13,000
FY29	\$1,847,000	\$75,000	\$13,000

There is estimated to be a revenue increase to the Highway Trust Fund and the Highway Allocation Fund, which is distributed to cities and counties.

The DOR estimates minimal costs to it as a result of the bill.

There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1023	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 1023 appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1023	AM:	AGENCY/POLT. SUB: Nebraska Department of Transportation (NDOT)
REVIEWED BY: Ryan Yang	DATE: 2/17/2025	PHONE: (402) 471-4178
COMMENTS: The NDOT assessment of fiscal impact from LB 1023 appears reasonable.		

## State Agency Estimate

State Agency Name: Department of Revenue		Date Due LFO:	
Approved by: James R. Kamm	Date Prepared:	02/12/2026	Phone: 471-5896
<b>FY 2026-2027</b>			
	Expenditures	Revenue	
General Funds		\$1,161,000	
Cash Funds		\$41,000	
Federal Funds			
Other Funds		\$7,000	
Total Funds		\$1,209,000	
<b>FY 2027-2028</b>			
	Expenditures	Revenue	
		\$1,793,000	
		\$73,000	
		\$13,000	
		\$1,879,000	
<b>FY 2028-2029</b>			
	Expenditures	Revenue	
		\$1,847,000	
		\$75,000	
		\$13,000	
		\$1,935,000	

LB 1023 amends section 77-2704.67 to eliminate provisions relating to an exemption from sales and use taxes for a general admission to the zoo or aquarium.

It is estimated that this bill will have the following impact on General Fund revenues:

Fiscal year	General Fund revenues	Highway Trust Fund	Highway Allocation Fund
26-27	\$1,161,000	\$41,000	\$7,000
27-28	\$1,793,000	\$73,000	\$13,000
28-29	\$1,847,000	\$75,000	\$13,000

It is estimated that there will be minimal costs to the Department of Revenue to implement this bill.

The operative date for this bill is October 1, 2026.

## Major Objects of Expenditure

Class Code	Classification Title	26-27	27-28	28-29	26-27	27-28	28-29
		FTE	FTE	FTE	Expenditures	Expenditures	Expenditures
Benefits.....							
Operating Costs.....							
Travel.....							
Capital Outlay.....							
Capital Improvements.....							
<b>Total.....</b>							

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

**2026**

**LB<sup>(1)</sup> 1023**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup>

Nebraska Department of Transportation (NDOT)

Prepared by: <sup>(3)</sup> Lily Kathee

Date Prepared: <sup>(4)</sup> 2/12/2026

Phone: <sup>(5)</sup> 402-479-4635

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2026-27</u>	<u>REVENUE</u>		<u>FY 2027-28</u>	<u>REVENUE</u>
<b>GENERAL FUNDS</b>					
<b>CASH FUNDS</b>	<u>See below</u>	<u>\$41,000</u>		<u>See below</u>	<u>\$73,000</u>
<b>FEDERAL FUNDS</b>					
<b>OTHER FUNDS</b>		<u>\$7,000</u>			<u>\$13,000</u>
<b>TOTAL FUNDS</b>	<u>See below</u>	<u>\$48,000</u>		<u>See below</u>	<u>\$86,000</u>

**Explanation of Estimate:**

LB1023 as proposed removes the current sales and use tax exemption for admission to a nationally accredited zoo or aquarium. The proposed change takes effect on October 1, 2026, and the original section of the law that provided the exemption is repealed.

Revenue Impacts to the Build Nebraska Act Funds			
	<u>FY2026-27</u>	<u>FY2027-28</u>	<u>FY2028-29</u>
Highway Trust Fund (NDOT)	<u>\$41,000</u>	<u>\$73,000</u>	<u>\$75,000</u>
Highway Allocation Fund (cities and counties)	<u>\$7,000</u>	<u>\$13,000</u>	<u>\$13,000</u>
<b>Total</b>	<b><u>\$48,000</u></b>	<b><u>\$86,000</u></b>	<b><u>\$88,000</u></b>

This estimate of increased tax revenue is from the Nebraska Department of Revenue. The increase in revenue in Build Nebraska Act Funds will result in more funding available for NDOT highway construction projects, such as for expansion of the expressway system, and to the Highway Allocation Fund for cities and counties.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

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