

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
FY2026-2027		0	0	0	0
FY2027-2028		0	0	0	0
FY2028-2029		0	0	0	0
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
	FY2025-2026	0	0	0	0
FY2026-2027		0	0	0	0
FY2027-2028		0	0	0	0
FY2028-2029		0	0	0	0

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

LB 1160 amends section 25-2701 to provide that unless specifically provided to the contrary in the Uniform Probate Code or unless inconsistent with its provisions, the rules and codes of civil procedure, including the rules concerning vacation of orders and appellate review, govern proceedings under the section.

The bill amends section 30-2301 to provide that any part of a decedent's estate not effectively disposed of by will passes by intestate succession to the decedent's heirs as prescribed in the following section of the code, except as modified by the decedent's will.

The bill amends section 30-2302 to provide that the intestate share of the surviving spouse is:

- If there is no surviving issue but the decedent is survived by a parent or parents, the first \$150,000, a change from \$100,000, plus one-half of the balance of the intestate estate;
- If there are surviving issue all of whom are issue of the surviving spouse also, the first \$150,000, a change from \$100,000, plus one-half of the balance of the intestate estate.

The bill amends section 30-2322 to provide that a surviving spouse of a decedent who was domiciled in this state is entitled to a homestead allowance of \$25,000 for a decedent who dies on or after January 1, 2027.

The bill amends section 30-2323 to provide that in addition to the homestead allowance, the surviving spouse of a decedent who was domiciled in this state is entitled from the estate to value not exceeding \$17,500 for a decedent who dies on or after January 1, 2027, in excess of any security interest therein in household furniture, automobiles, furnishings, appliances, and personal effects.

The bill amends section 30-2325 to provide that the personal representative may determine the family allowance in a lump sum not exceeding \$25,000 for a decedent who dies on or after January 1, 2027, or periodic installments not exceeding \$2,083.33 per month for one year for a decedent who dies on or after January 1, 2027.

The bill amends the Nebraska Uniform Trust Code.

The bill amends section 30-3803 to change the definition of "terms of a trust."

The bill adds that a contract to make a trust, or not to revoke a trust, if executed on or after January 1, 1977 shall only be established in specific ways.

The bill adds that a provision in a trust purporting to penalize any interested person for contesting the trust or instituting other proceedings relating to the trust is unenforceable if probable cause exists in instituting proceedings.

The bill adds that the rules of construction that apply in this state to the interpretation and disposition of property by will shall also apply as appropriate to the interpretation of the terms of a trust and the disposition of the trust property.

The bill amends section 30-38,103 to add that any information necessary to establish a person's ownership of a homestead for purposes of obtaining a homestead exemption is a fact/information a certification of trust may confirm.

The bill amends section 77-2004 to provide persons subject to inheritance tax at the rate of 1%.

The bill amends section 77-3503 to add that a certification of trust showing that the criteria of this section regarding homestead owners shall be on file on the appropriate public record as of January 1 of the year for which exemption is sought, except that if such instrument is not on file as of January 1, a copy of such instrument shall be attached to such application before the homestead exemption shall be granted.

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

The Department of Revenue estimates no impact on General Fund revenues and no cost to it to implement the bill. There is no basis to disagree with this estimate.

The Supreme Court estimates minimal fiscal impact to provide judicial education with no additional resources required. There is no basis to disagree with this estimate.

Lancaster County estimates a minimal fiscal impact as a result of the bill.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1160	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Ryan Yang	DATE: 2/4/2025	PHONE: (402) 471-4178
COMMENTS: The Department of Revenue assessment of no fiscal impact from LB 1160 appears reasonable.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1160	AM:	AGENCY/POLT. SUB: Lancaster County
REVIEWED BY: Ryan Yang	DATE: 1/29/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County assessment of indeterminate fiscal impact from LB 1160.		

State Agency Estimate

State Agency Name: Department of Revenue			Date Due LFO:	
Approved by: James R. Kamm	Date Prepared: 02/04/2026		Phone: 471-5896	
	FY 2026-2027		FY 2027-2028	FY 2028-2029
	Expenditures	Revenue	Expenditures	Revenue
General Funds		\$ 0		\$ 0
Cash Funds				
Federal Funds				
Other Funds				
Total Funds		\$ 0		\$ 0

LB 1160 adds rules of criminal and civil procedure that are not in conflict with other county court rules to govern actions and proceedings in county court proceedings. Currently, only codes of criminal and civil procedure of district courts apply to county courts.

LB 1160 adds that unless specifically provided to the contrary in the Uniform Probate Code or unless inconsistent with its provisions, the rules and codes of civil procedure, including the rules concerning vacation of orders and appellate review, govern proceedings under Neb. Rev. Stat. § 25-2701.

LB 1160 adds that a decedent will expressly exclude or limit the right of an individual or class to inherit property and property passes as if that individual or class disclaimed the intestate share.

On or after January 1, 2027, increases the homestead allowance of a surviving spouse of a decedent from \$20,000 to \$25,000.

On or after January 1, 2027, increases the additional value a surviving spouse is entitled to from a decedent's estate from \$12,500 to \$17,500.

On or after January 1, 2027, increases the lump sum amount a personal representative may give to the family allowance from \$20,000 to \$25,000 and increases the periodic monthly installments that may be given from \$1,666.67 to \$2,083.32.

LB 1160 modifies the Uniform Trust Code (UTC) by:

- Adding a "terms of trust" definition.
- Adding how a contract to make a trust or not to revoke a trust made on or after January 1, 1977, may be established.
- Adds that a trust provision purporting to penalize any interested person for contesting the trust is unenforceable if probable cause exists for instituting proceedings.
- Adds that Nebraska rules of construction that apply to the interpretation and disposition of property will also apply to the interpretation of the terms of the trust and disposition of trust property;

Major Objects of Expenditure

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

- Adds that a certification of trust may include any information necessary to establish a person's ownership of a homestead for purposes of obtaining a homestead exemption.

It is estimated that LB 1160 will have no impact on the General Fund revenues.

It is estimated that there will be no costs to the Department of Revenue to implement this bill.

The operative date for this bill is three months after the adjournment of the legislature.

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

2026

LB⁽¹⁾ 1160

FISCAL NOTE

State Agency OR Political Subdivision
Name: ⁽²⁾

05 Supreme Court

Prepared by: ⁽³⁾ Eric Asboe

Date Prepared: ⁽⁴⁾ 2/5/2026

Phone: ⁽⁵⁾ 402-326-9215

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

FY 2026-27

FY 2026-27

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

Minimal fiscal impact to provide judicial education. No additional resources required.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS	2026-27 EXPENDITURES	2027-28 EXPENDITURES
	26-27	27-28	

Benefits.....

Operating.....

Travel.....

Capital outlay.....

Aid.....

Capital improvements.....

TOTAL.....

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

2026

LB⁽¹⁾ 1160

FISCAL NOTE

**State Agency OR Political Subdivision
Name:** ⁽²⁾

Lancaster County, Nebraska

Prepared by: ⁽³⁾ Dennis Meyer

Date Prepared: 1/26/2026

⁽⁴⁾

Phone: ⁽⁵⁾ 402-441-6869

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

FY 2026-27

FY 2027-28

	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Explanation of Estimate:

LB1160 may create a reduction in inheritance tax collections due to expanded eligibility for the lower inheritance tax classification for certain heirs and increased probate allowances beginning for decedents dying on or after January 1, 2027, which may reduce taxable estate value. The bill may also result in a minor increase in approved homestead exemptions for trust-held residences due to expanded documentation options (certification of trust). Overall fiscal impact is indeterminate but expected to be minimal.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS	2026-27 EXPENDITURES	2027-28 EXPENDITURES
	26-27	27-28	

Benefits.....

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Operating.....

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Travel.....

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**Capital
outlay.....**

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Aid.....

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**Capital
improvements.....**

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TOTAL.....

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