

PREPARED BY: Jeanne Glenn  
 DATE PREPARED: February 04, 2009  
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**LB 282**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	145,000	(See below)	145,000	(See below)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	145,000	(See below)	145,000	(See below)

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

LB 282 would establish the Nebraska Advantage Film Production Incentive Act. A Film Office would be established in the Department of Economic Development and would be directed to administer the program. The fiscal impact would include:

**Income tax credits:** Income tax credits would be provided to film production companies for up to 25% of documented production costs incurred in Nebraska. The amount of credits would be based upon the total budget of the film and the number of Nebraska residents employed as crew for the film. Total income tax credits for film productions would be capped at \$5,000,000 per year. It is estimated that the actual amount of credits claimed per year will vary, and will depend upon the number of films produced in the state. As a result, total income tax credits claimed may not always reach the \$5,000,000 limit .

**Department of Economic Development expenses:** The Department of Economic Development (DED) would incur expenses to establish a Film Office and review documentation required for production companies to qualify for credits under the provisions of LB 282. The agency estimates that it would hire 2 FTE staff to both administer the tax credit program and to promote film production in Nebraska. The total estimated budget for the activity is \$185,000 General Funds annually. Because it is estimated that \$40,000 General Funds are currently budgeted in DED for contractual Film Office promotional activities, actual new funding required for the program would be approximately \$145,000 General Funds.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Gary Bush	DATE	2/4/09	PHONE	471-2526
COMMENTS					
ECONOMIC DEVELOPMENT – Agree with agency's estimate of impact.					