

PREPARED BY: Doug Gibbs
 DATE PREPARED: January 31, 2009
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LB 70

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	\$0	(\$14,700,000)	\$0	(\$15,634,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	(\$14,700,000)	\$0	(\$15,634,000)

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

LB 70 would provide for an exemption of income received as a military retirement benefit resulting from service in the armed forces of the United States, from federal adjusted gross income. The exemption is capped at \$48,000 for married couples filing jointly per tax year if both spouses are receiving military retirement benefits, and \$24,000 per tax year for any other return. The exemption applies to tax years beginning on or after January 1, 2009.

The Department of Revenue estimates the bill will have the following impact on the General Fund:

FY2009-10: (\$14,700,000)
 FY2010-11: (\$15,634,000)
 FY2011-12: (\$16,649,000)
 FY2012-13: (\$17,693,000)

It is estimated by the Department that the cost to implement LB 70 would be minimal.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact.

IMPACT TO POLITICAL SUBDIVISIONS:

There is no fiscal impact to political subdivisions associated with this bill.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/3/09	PHONE	471-2526
COMMENTS					
DEPT. OF REVENUE – No basis upon which to disagree.					