

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$45,000	(\$1,600,000)		(\$1,800,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$45,000	(\$1,600,000)		(\$1,800,000)

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

LB 376 would amend Section 77-2715.07 to create new nonrefundable and refundable credits against Nebraska income tax for resident individual taxpayers who care for dependents over 65 years of age in the taxpayer's home.

The bill would create a \$500 nonrefundable credit for resident individuals whose income did not exceed 500% of the federal poverty income guidelines and who cared for an individual who meets the following requirements: the individual cared for was age 65 or older; had a condition lasting at least 180 days that restricted their functionality; and their income did not exceed 250% of federal poverty income guidelines.

The bill would also create a \$500 refundable credit for resident individuals whose income did not exceed 250% of the federal poverty income guidelines and who cared for an individual who meets the following requirements: the individual cared for was age 65 or older; had a condition lasting at least 180 days that restricted their functionality; and their income did not exceed 250% of federal poverty income guidelines.

The bill has an operative date of January 1, 2009.

The Department of Revenue estimates the fiscal impact to the General Fund to be as follows:

FY2009-10: (\$1,600,000)
 FY2010-11: (\$1,800,000)
 FY2011-12: (\$1,900,000)

The Department also estimates a one-time expense for changing the tax return to accommodate the new credits would cost \$45,000 to implement.

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

IMPACT TO POLITICAL SUBDIVISIONS:

There appears to be no discernable fiscal impact to political subdivisions.