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 DATE PREPARED: December 30, 2009
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LB 357

Revision: 01

Updated for the 2010 Session; includes amendments adopted to date.

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$541,100)		(\$710,100)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$541,100)		(\$710,100)

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

LB 357 would change the discount offered to wholesale cigarette dealers as a commission for the affixing and canceling of cigarette stamps or metering.

The current discount rate is 1.85% and the bill would increase the discount rate to 3.0%.

The Department of Revenue estimates the following fiscal impact of LB 357 assuming an operative date of October 1, 2010.

FY2010-11:	(\$541,100)
FY2011-12:	(\$710,100)
FY2012-13:	(\$699,100)

The above is based on the hold-harmless provisions applying to cash funds that receive proceeds from the cigarette tax and the resultant affect on the General Fund. The Outdoor Recreation Development Cash Fund, Health and Human Services Cash Fund, Building Renewal Allocation Fund, City of the Primary Class Development Fund, and the City of the Metropolitan Class Development Fund all receive proceeds from the cigarette tax and all contain provisions that require that any shortfall to those funds is made up by a reduction in the amount of cigarette tax that is remitted to the General Fund.

The Department of Revenue estimates the cost to implement the bill to 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.