

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2010-11</b>		<b>FY 2011-12</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 877 amends several sections of Nebraska Revised Statutes Chapter 77 to provide additional duties or clarify existing responsibilities of the Tax Commissioner and Property Tax Administrator. The bill contains the emergency clause.

The bill amends Section 77-701 to provide that the Tax Commissioner or the Property Tax Administrator may appeal any actions or decisions of the county board of equalization or the Tax Equalization and Review Commission regarding the exemption of real and personal property, or their actions regarding valuation and equalization of real property.

Amends Section 77-1363 to allow the Property Tax Administrator to direct how county assessors utilize soil surveys.

Amends Sections 77-1502 and 77-1507 regarding protests to specify that the description of property is the legal description of real property and the physical description of tangible personal property and that a protest may be dismissed by the county board of equalization if it does not contain the applicable description.

The bill amends Section 77-3517 to provide that the Tax Commissioner may review, in addition to income information, any additional information deemed necessary to determine whether a homestead exemption application should be approved.

Amends Section 77-5007 to allow the Tax Equalization and Review Commission to hear appeals from the Tax Commissioner or Property Tax Administrator.

Amends Section 77-5013 to provide that no filing fee is required for appeals by the Tax Commissioner or the Property Tax Administrator to the Tax Equalization and Review Commission on exemption of real and personal property or pertaining to valuation and equalization of real property.

Amends Section 77-5016 to provide that the cost of an appeal as determined by the Tax Equalization and Review Commission shall be paid by the State when the appellant is the Tax Commissioner or the Property Tax Administrator.

The Department of Revenue estimates there is no fiscal impact to the State associated with LB 877.

The Tax Equalization and Review Commission indicates that the changes proposed by LB 877 expand the number of persons who could appeal to the Commission but can not determine the number of such appeals and, therefore the fiscal impact is indeterminate.

Based on the information from both state agencies, we believe there is no fiscal impact to the State associated with LB 877.

**IMPACT TO POLITICAL SUBDIVISIONS:**

Given the rather broad language authorizing the Tax Commissioner or Property Tax Administrator to appeal any decision of the county board of equalization there is the possibility that a large number of appeals by the Tax Commissioner or the Property Tax Administrator could result in significant cost to a county where such appeals are made.