

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	20,200	(61,000)	27,700	(102,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	20,200	(61,000)	27,700	(102,000)

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

LB 648 provides for an exemption from Sales and Use Tax for materials to be used in a community based wind energy project. The bill also provides a definition for "community based wind energy projects." The revenue impact of this exemption is estimated as follows:

<u>Fiscal Year</u>	<u>Revenue</u>
2007-08	(37,000)
2008-09	(52,000)
2009-10	(73,000)
2010-11	(102,000)

LB 648 also provides for an increase to the renewable energy tax credit, which was enacted in 2006 (LB 872). The credit is not available to those receiving the sales tax exemption provided in this bill. This portion of the bill has an effective date of October 1, 2007.

The revenue impact of increasing this tax credit is estimated as follows:

<u>Fiscal Year</u>	<u>Revenue</u>
2007-08	(24,000)
2008-09	(50,000)
2009-10	(75,000)
2010-11	(112,500)

The Department of Revenue estimates the following expenditures associated with carrying out the provisions of this bill:

Expense Items	FY08	FY09
Revenue Senior Auditor (0.5 FTE)	15,200	20,800
Benefits	5,000	6,900
Total	20,200	27,700

IMPACT ON POLITICAL SUBDIVISIONS: It is estimated that the amount of Sales and Use Tax returned to municipalities would decrease by approximately (10,500), (15,000), (21,000), and (30,000) in FY08 through FY11, respectively.