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 DATE PREPARED: March 11, 2011
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LB 165

Revision: 01

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated to reflect all amendments adopted to date.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				(14,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				(14,000)

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

LB 165, as amended, changes provisions related to the imposition of occupation tax on the receipts from the sale of telecommunications service.

The amended bill limits the occupation tax rate that a municipality can levy for telecommunications services to 6.25%. The tax may only be placed on telecommunications services as defined in section 77-2703.01(7)(aa) beginning January 1, 2013. Municipalities may increase the occupation tax by .25% with a vote of the people.

Beginning January 1, 2013, occupation tax cannot be levied on equipment.

The Department of Revenue estimates General Fund revenue losses as follows:

Fiscal year 2011-12	(\$0)
Fiscal year 2012-13	(\$14,000)
Fiscal year 2013-14	(\$35,000)
Fiscal year 2014-15	(\$36,000)

There is no basis to disagree with these estimates.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	3/11/11	PHONE	471-2526
COMMENTS					
PUBLIC SERVICE COMMISSION: Concur. No fiscal impact to the Public Service Commission.					