

PREPARED BY: Doug Gibbs  
 DATE PREPARED: February 22, 2011  
 PHONE: 471-0051

**LB 489**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$30,895		\$33,670	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$30,895		\$33,670	

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

LB 489 amends Nebraska Revised Statutes Sections 77-2711 and 77-27,144.

Section 77-2711, dealing mainly with confidentiality of tax records, is amended to allow a municipality that has the local option sales tax to inspect confidential sales tax records of businesses that have a sales tax permit for locations inside the boundaries of the municipality. The municipality is to certify one person to examine the information and the examination may only be done on the premises of the Department of Revenue. The certified person may not disclose any information obtained from the review of the tax records; if the certified person does disclose the information they shall be guilty of a Class I misdemeanor.

The Department of Revenue estimates administration costs of \$30,895 for FY2011-12, \$33,670 for FY2012-13, and \$35,365 for FY2013-14. This is based on the current requests for information, the amount of time necessary to collect this information, the time necessary to adequately safeguard confidential taxpayer information, and the potential uses that may generate requests. The Department estimates it will require a 1.0 FTE Accounting Clerk II to plan for and assist certified persons with their research. Other costs are expected to be minimal.

There is no basis to disagree with the Department of Revenue's estimate of cost.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/23/11	PHONE	471-2526
COMMENTS					
DEPARTMENT OF REVENUE: The agency estimate appears reasonable given the assumptions provided. There may be some question in terms of the amount of time necessary to prepare the materials for review and to oversee the actual review times.					