

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below			See below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 165 would make a number of changes to revenue and related statutes.

Section 66-1521 is amended to increase the amount that can be used for collecting and administering the Petroleum Release Remedial Action Fee (PRF) from \$28,000 to \$150,000. Changes to the administration of the PRF would impact the following cash funds as follows:

	FY2009-10	FY2010-11	FY2011-12	FY2012-13
Department of Environmental Quality: PRF	(\$122,000)	(\$125,000)	(\$128,000)	(\$131,000)
Highway Trust Fund	\$122,000	\$125,000	\$128,000	\$131,000

Section 77-1783.01 is amended to limit to three years a demand for payment by the Tax Commissioner against any officer or employee with personal responsibility for the payment of corporate taxes.

Adds new language to Section 77-1784 that allows the Tax Commissioner to require that tax preparers who filed more than 25 tax returns the previous year now file returns electronically and adds a penalty for failure to comply of \$100 per return not filed as required. Preparer must notify clients that their return will be filed electronically.

New language in Section 77-2701.03 relieves a seller from liability for failure to collect sale tax at a new effective rate when a new rate is implemented if the state fails to provide at least thirty days between enactment of the statute providing the rate change and the effective date of the change.

Changes language in Section 77-2701-16 regarding the meaning of gross receipts and furnishing telephone communications by redefining local telephone exchange service and intrastate service, the meaning of gross receipts as it applies to prepaid calling services and prepaid wireless calling services, and defines prepaid calling service and prepaid wireless calling service.

Amends Section 77-2701.24 to add sales by an individual on an online auction site as long as such sales do not occur for more than three days during a calendar year to the definition of occasional sale.

Adds "ancillary services" to Section 77-2703.04 language regarding sourcing and sale of mobile telecommunications service, clarifies that ancillary services are taxable when provided by home service provider.

Section 77-2704.09 is amended to include "mobility enhancing equipment and drugs" to list of exemptions of medical products not subject to sales and use tax and removes requirement that such equipment be subject to the eligibility requirements of the Medical Assistance Act.

Adds language to Section 77-2704.12 regarding sales and use taxes, limiting the exemption for nonprofit organizations that provide community-based services for persons with developmental disabilities to those activities or services that are licensed or certified by HHS. Also moves language dealing with nonprofit hospitals to a new subsection and clarifies that exemptions under this subsection are limited to purchases made for use at the facility licensed under the Health Care Facility Licensure Act or used in the activities or services licensed under the Act.

New language in Section 77-2711 allows the Tax Commissioner to disclose additional information on retailers to municipalities as long as the information does not include data detailing specific revenue, expenses, or operations of a particular business. At this time only names and addresses may be provided.

Adds language regarding the streamlined sales and use tax agreement, Section 77-2712.05, that purchasers are relieved of liability for penalty for not paying the correct amount of tax because they relied on erroneous data provided by a member state.

Amends Section 77-2780 by changing from sixty days to thirty days when an action by the Tax Commissioner is final on a taxpayer's protest, unless the taxpayer seeks review of determination within that time period.

The result of these changes is no fiscal impact to the General Fund. The Department of Revenue indicates no costs to implement the bill.

**IMPACT TO POLITICAL SUBDIVISIONS:**

No impact to political subdivisions.