Doug Gibbs February 16, 2011 471-0051

LB 360

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					
CASH FUNDS					
FEDERAL FUNDS					
OTHER FUNDS					
TOTAL FUNDS					

LB 360 amends Nebraska Revised Statutes Sections 77-105, 77-202, and 77-6203.

The bill amends Section 77-105 to strike language from the definition of tangible personal property regarding property used in the generation of electricity using wind as a fuel source.

Section 77-202 (9) is amended to specify that "depreciable personal property" used directly in the generation of electricity using wind as a fuel source shall be exempt from the property tax levied on such property. The bill clarifies that depreciable tangible personal property used directly in generating electricity would continue to be exempt from tax, but the specific and expansive inclusion of wind energy property, to the extent that it would have been considered real property prior to LB 1048 (2010), would not be exempt.

Section 77-6203 (5)(b) that deals with the nameplate capacity tax, to delete language that provides a credit against the tax equal to any property taxes that were paid prior to July 15, 2010, that were greater than what the nameplate capacity tax would have been.

The bill has an operative date of January 1, 2010 and carries the emergency clause.

There is no fiscal impact to the state as a result of LB 360.

DEPARTMENT OF ADMINISTRATIVE SERVICES

DEPARTMENT OF ADMINISTRATIVE SERVICES							
REVIEWED BY	Lvn Heaton	DATE 2/22/11	PHONE 471-2526				

COMMENTS

Concur. No fiscal impact to the Department of Revenue.

It is assumed that the bill would have at least some fiscal impact on counties, particularly counties affected by the nameplate capacity tax.

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

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LB 360

LEGISLATIVE FISCAL Fiscal Note

2011

		State Agency	Estimate			
State Agency Name: Department of	of Revenue				Date Due LFA:	1/25/2010
Approved by: Douglas Ewald		Date Prepared:	1/25/2010		Phone: 471-5605	
	FY 2011-2012		FY 2012-2013		FY 2013-2014	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds						
Cash Funds						
Federal Funds						
Other Funds						
Total Funds						<u></u>

LB 360 amends sections 77-105 and 77-202 to strike specific references to "all property used in generating electricity using wind energy" as included within the definition of tangible personal property and which is exempt from tax. LB 360 clarifies that depreciable tangible personal property used directly in generating electricity would continue to be exempt from tax, but the specific and expansive inclusion of wind energy property, to the extent that it would have been considered real property prior to LB 1048 (2010), would not be exempt.

LB 360 also amends section 77-6203, dealing with the Nameplate Capacity Tax, to repeal the credit against the tax equal to any property taxes that were paid prior to July 15, 2010, that were greater than what the nameplate capacity tax would have been.

There is no General Fund impact associated with this bill. Local government subdivisions with affected wind energy projects will still receive \$3,518 per megawatt of nameplate capacity installed.

The bill would be operative January 1, 2010 and it carries the emergency clause and a severability clause.

Departmental cost to implement this bill is expected to be minimal.

	Maj	or Objects of E	Expendit	ure			
Class Code	Classification Title	11-12 <u>FTE</u>	12-13 FTE	13-14 <u>FTE</u>	11-12 Expenditures	12-13 Expenditures	13-14 Expenditures
Benefits							
Operating Costs							
ravel							
Capital Outlay							

otal							

FISCAL NOTE LB360 Counties

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Prepared By	Edwards, Jon
Date Prepared	1/28/2011
Prepared Phone	402-434-5660

Estimate Provided By State Agency or Political Subdivision

	Law				
	FY 2011-2012		FY 2012-2013		
	Expenditures	Revenue	Expenditures	Revenue	
General Funds					
Cash Funds					
Federal Funds					
Other Funds					
Total Funds					

Explanation of Estimate:

As drafted, LB360 does not appear to have a fiscal impact to counties.

Major Objects of Expenditure

	141	ajoi objects of Expendito		
	Number of Positions		FY 2011-2012	FY 2012-2013
Position Title	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
		D. Ch		
		Benefits		
		Operating		
		Travel		
		Capital outlay		
		Aid		
		Capital improvements		
		Total		