

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 81 amends the Nebraska Revenue Act of 1967, Section 77-2716 regarding the corporate income tax.

The bill provides that an unspecified percentage of the amount paid as dividends shall be subtracted from federal taxable income to the extent those dividends have not otherwise reduced federal taxable income.

The bill would be operative for taxable years beginning on or after January 1, 2014.

Technically, because the bill does not specify the percentage of dividends to be subtracted from federal taxable income we cannot determine fiscal impact.

However, the Department of Revenue, assuming the unspecified percentage to be 100 percent, estimates the impact to the General Fund would be as follows:

FY2013-14:	\$	0
FY2014-15:	(\$	27,311,000)
FY2015-16:	(\$	84,116,000)
FY2016-17:	(\$	118,156,000)

The Department also indicated a one-time programming cost of \$5,013 paid to the Office of the CIO to add a line to the 1120N Schedule A.

