

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2016-17		FY 2017-18	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$14,563	\$17,000	\$0	\$23,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$14,563	\$17,000	\$0	\$27,000

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

LB 727 would place a tax of 1% of each sale of tobacco on a person who holds a cigar shop license under the Nebraska Liquor Control Act for credit to the General Fund.

The tax is to be computed, determined, assessed, and collected in the same manner as provided for sales and use taxes in the Nebraska Revenue Act of 1967.

The Department of Revenue estimates the following fiscal impact to the General Fund as a result of LB 727:

FY2016-17:	\$ 7,000
FY2017-18:	\$ 8,000
FY2018-19:	\$ 9,000

The Department indicates a cost of \$14,563 for a one-time programming charge paid to the Office of the CIO.

We disagree with the Department of Revenue estimate of fiscal impact. We estimate the following fiscal impact to the General Fund as a result of LB 727:

FY2016-17:	\$ 17,000
FY2017-18:	\$ 23,000
FY2018-19:	\$ 27,000

We have no basis to disagree with the Department's estimate of cost.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 727	AM:	AGENCY/POLT. SUB: Liquor Control Commission	
REVIEWED BY: Lyn Heaton		DATE: 1/26/2016	PHONE: 471-4181
COMMENTS: Concur. No fiscal impact on the Liquor Control Commission.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 727	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 1/26/2016	PHONE: 471-4181
COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis.			

Please complete ALL (5) blanks in the first three lines.

2016

LB⁽¹⁾ 727

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

NEBRASKA LIQUOR CONTROL COMMISSION

Prepared by: ⁽³⁾ JERRY VAN ACKEREN

Date Prepared: ⁽⁴⁾ 1/8/2016

Phone: ⁽⁵⁾ (402) 471-4892

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2016-17</u>		<u>FY 2017-18</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
CASH FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
FEDERAL FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
OTHER FUNDS	<u></u>	<u></u>	<u></u>	<u></u>
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

NO FISCAL IMPACT EXPECTED

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2016-17</u>	<u>2017-18</u>
	<u>16-17</u>	<u>17-18</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
	<u></u>	<u></u>	<u>0</u>	<u>0</u>
Benefits.....			<u>0</u>	<u>0</u>
Operating.....			<u>0</u>	<u>0</u>
Travel.....			<u>0</u>	<u>0</u>
Capital outlay.....			<u>0</u>	<u>0</u>
Aid.....			<u>0</u>	<u>0</u>
Capital improvements.....			<u>0</u>	<u>0</u>
TOTAL.....			<u>0</u>	<u>0</u>

State Agency Estimate

State Agency Name: Department of Revenue		Date Due LFA: 1/25/2016				
Approved by: Tony Fulton		Date Prepared: 1/25/2016				
		Phone: 471-5896				
	FY 2016-2017		FY 2017-2018		FY 2018-2019	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds	\$14,563	\$7,000		\$8,000		\$9,000
Cash Funds						
Federal Funds						
Other Funds						
Total Funds	\$14,563	\$7,000		\$8,000		\$9,000

LB 727 imposes a 1% tax on specific sales of tobacco in cigar shops licensed under the Nebraska Liquor Control Act, Neb. Rev. Stat. §§ 53-101 to 53-1,122. The tax would be computed, determined, assessed, and collected the same as provided for sales and use taxes under the Nebraska Revenue Act of 1967, and would be remitted to the State Treasurer for credit to the General Fund.

LB 727 is expected to increase revenue to the General Fund by the following amounts:

- FY 2016-17: \$7,000
- FY 2017-18: \$8,000
- FY 2018-19: \$9,000

Departmental cost to implement LB 727 includes one-time programming costs paid to the OCIO totaling \$14,563.

Major Objects of Expenditure

<u>Class Code</u>	<u>Classification Title</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>
		<u>FTE</u>	<u>FTE</u>	<u>FTE</u>	<u>Expenditures</u>	<u>Expenditures</u>	<u>Expenditures</u>
	Benefits.....						
	Operating Costs.....				\$14,563		
	Travel.....						
	Capital Outlay.....						
	Aid.....						
	Capital Improvements.....						
	Total.....				\$14,563		