

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	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 684 amends the Beginning Farmer Tax Credit Act.

The bill changes the Act by providing an increase in the tax credit percentage if the beginning farmer is a veteran. For cash rent agreements the percentage goes from 10% to 11% and for share rent agreements the percentage goes from 15% to 16%.

“Veteran” is given the same meaning as is found in Nebraska Revised Statutes Section 48-225 which defines “veteran” as:

- a) A person who served full-time duty with military pay and allowances in the armed forces of the United States, except for training or for determining physical fitness, and was discharged or otherwise separated with a characterization of honorable or general (under honorable conditions); or
- b) The spouse of a veteran who has a one hundred percent permanent disability as determined by the United States Department of Veterans Affairs.

The bill becomes operative for credits earned in tax years beginning on or after January 1, 2019.

The Department of Revenue estimates a minimal negative fiscal impact to General Fund revenue.

We agree with the Department of Revenue estimate of fiscal impact.

The Department of Revenue indicates that the cost to implement the provisions of LB 684 will be minimal.

We agree with the Department of Revenue’s estimate of cost.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 684	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 1/24/2018	PHONE: <a href="tel:4024714181">(402) 471-4181</a>
COMMENTS: Concur with the Department of Revenue's analysis that the bill will result in a reduction in General Fund revenue due to the increased credit percentages.			

