

Revised per additional data

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$126,144	(\$600,333)		(\$1,490,000)
CASH FUNDS		(\$6,000)		(\$42,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$126,144	(\$606,333)		(\$1,532,000)

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

This fiscal note has been updated to reflect additional data utilized which includes the latest IRS tax data. This has led to a reduced General Fund impact for the provisions connected to the adjustments for income on the sale or exchange of gold or silver bullion. The fiscal impact for the provisions connected to the expanded sales and use tax exemptions remains the same.

LB 1305 would exclude central bank digital currency under the term of money and would define central bank currency.

The bill would expand the sales and use tax exemption for bullion so that bullion would now also include coins, notes, leaf, foil, and film.

The exemption would make changes so that the value of bullion would depend primarily on its content.

The bill would add that for taxable years beginning on or after January 1, 2025, federal adjusted gross income or, for corporations and fiduciaries, federal taxable income would be adjusted on the amount of any net capital gain or loss that is derived from the sale or exchange of gold or silver bullion to the extent such gain or loss is included in federal adjusted gross income.

The bill would become operative on January 1, 2025.

We estimate the following impact to General Fund revenues as a result of this bill:

<i>Fiscal Year</i>	<i>General Fund</i>	<i>Highway Trust Fund</i>	<i>Highway Allocation Fund</i>
2024-25	\$ (600,333)	\$ (6,000)	\$ (1,000)
2025-26	\$ (1,490,000)	\$ (42,000)	\$ (7,000)
2026-27	\$ (1,483,450)	\$ (44,000)	\$ (8,000)
2027-28	\$ (1,488,473)	\$ (45,000)	\$ (8,000)

There is estimated to be a revenue decrease to the Highway Trust Fund and the Highway Allocation Fund, which is distributed to cities and counties.

Additionally, the DOR estimates a need for a one-time cost of \$126,144 to be paid to the Office of the Chief Information Officer (OCIO) as a result of this bill.

TECHNICAL NOTE: Based on the language in the bill of only federal adjusted gross income being mentioned regarding to the extent gain or loss is included in income, this may affect the deductibility of the sale or exchange of gold or silver bullion for corporation and fiduciary taxpayers.