

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated for the 2026 Legislative Session

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)

EXPENDITURES	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	0	5,600,000	0	0	5,600,000
FY2027-2028	0	5,600,000	0	0	5,600,000
FY2028-2029	0	5,600,000	0	0	5,600,000
REVENUE	GENERAL	CASH	FEDERAL	REVOLVING	TOTAL
FY2025-2026	0	0	0	0	0
FY2026-2027	(641,000)	5,783,000	0	0	5,142,000
FY2027-2028	(1,272,000)	5,775,000	0	0	4,503,000
FY2028-2029	(2,138,000)	5,740,000	0	0	3,602,000

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

LB 468 was amended by AM874 on General File and by AM1447 on Select File. The bill, as amended, is discussed below.

LB 468 reduces the transfer by \$5.6 million from the Securities Act Cash Fund to the General Fund from FY26 through FY29. The bill adds that, the State Treasurer shall transfer \$5.6 million from the Securities Act Cash Fund to the Inheritance Tax Distribution Fund on July 15, 2025 and on July 15 of each year thereafter.

The bill raises the fee from \$25 to \$50 for the entire proceedings of a marriage license, administering the related oaths or affirmations, and recording a marriage certificate. The additional fee of \$9 for each certified copy of a marriage record on file in the office of the county clerk is changed to \$20. These fees are deposited in the county general fund. The bill adds that it is the intent of the Legislature to examine the amount of the fees at least once every 5 years beginning in 2030 in order to determine whether such fees should be adjusted.

The bill changes county sheriff identification fee from \$10 to \$30 plus mileage at the rate provided in section 33-117 for each mile in excess of 10 miles that was actually and necessarily traveled in conducting the identification inspection. This fee is credited to the county general fund. The bill adds that it is the intent of the Legislature to examine the amount of the fee at least once every 5 years beginning in 2030 in order to determine whether such fee should be adjusted.

Under the bill, the percentage of the motor vehicle tax proceeds collected for costs incurred by the county treasurer is changed from 1% to 2%. The bill changes the percentage allocated to counties of motor vehicle tax proceeds from 22% to 21.8%. For cities and villages, the percentage is changed from 18% to 18.2%, except that if the tax district is not in a city or village, 40% shall be allocated to the county, and in counties containing a city of the metropolitan class, the percentage is changed from 18% to 17.8% for what is allocated to the county and the percentage is changed from 22% to 22.2% for what is allocated to the city or village.

The bill changes the distribution of car line taxes so that on and after September 1, 2025, the Property Tax Administrator shall remit the tax collected, less a 3% collection fee, to the State Treasurer for distribution among the counties. The State Treasurer shall distribute 90% of such amount to the counties that levy railroad taxes in proportionate amounts based upon the ratio of the total railroad taxes levied by the county to the total railroad taxes levied by all counties. The State Treasurer shall distribute remaining 10% of such taxes to the counties that do not levy railroad taxes in proportionate amounts based upon the ratio of the total taxable valuation of all real and personal property in the county to the total taxable valuation of all real and personal property within those counties that do not levy railroad taxes. The collection fee shall be remitted to the State Treasurer for credit to the Department of Revenue (DOR) Property Assessment Division Cash Fund.

The bill changes the fee for issuing distress warrants from \$2 to \$20 credited to the county general fund. The bill adds that it is the intent of the Legislature to examine the amount of the fee at least once every 5 years beginning in 2030 in order to determine whether such fee should be adjusted.

The bill amends section 77-1804 regarding the \$5 fee of real property subject to sale so the fee is changed to \$20. The bill adds that it is the intent of the Legislature to examine the amount of the fee at least once every 5 years beginning in 2030 in order to determine whether such fee should be adjusted.

The bill changes section 77-2004 so that for decedents dying on or after July 1, 2025, the inheritance tax rate would be changed to 1% of the clear market value of the property received by each person in excess of \$150,000.

The bill changes section 77-2005 so that for decedents dying on or after July 1, 2025, the inheritance tax rate would be changed to 7% of the clear market value of the property received by each person in excess of \$40,000.

The bill changes section 77-2006 so that for decedents dying on or after July 1, 2025, the inheritance tax rate would be changed to 7% of the clear market value of the beneficial interests received by each person in excess of \$40,000.

The bill changes the tax rate of the nameplate capacity tax from \$3,518 per megawatt to \$6,560 per megawatt. Under the bill, the DOR shall separately identify the proceeds from the tax and shall:

- Distribute 30% of such proceeds to the counties proportionately in the proportion that the total taxable valuation of all real and personal property in the county bears to the total taxable valuation of all real and personal property in the state; and
- Pay the remaining 70% of such proceeds over to the county treasurer of the county where the renewable energy generation facility is located.

The bill creates the Inheritance Tax Distribution Fund. The fund shall consist of transfers authorized by the Legislature. The State Treasurer shall distribute funds annually to counties proportionately in the proportion that the total taxable valuation of all real and personal property in the county bears to the total taxable valuation of all real and personal property in the state. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

The bill outright repeals sections 77-2701.54 and 77-2704.62 to remove the sales and use tax exemption regarding data centers.

The bill is operative on July 1, 2025. For this updated fiscal note, the operative date is assumed to move one year forward to July 1, 2026.

The bill contains the emergency clause.

Revenues:

We estimate an increase of \$5.6 million in the Securities Act Cash Fund per fiscal year as a result of the reduced General Fund transfers from the Fund. This increase in revenue into the Securities Act Cash Fund is transferred into the Inheritance Tax Distribution Fund under the bill. There would also be a reduction in General Fund revenue by \$5.6 million each fiscal year due to the reduced transfer from the Securities Act Cash Fund to the General Fund.

The DOR estimated increases to General Fund and Cash Fund revenues as a result of repealing the sales and use tax exemption for data centers. There is no basis to disagree with these estimates, except that we assume an operative date of July 1, 2026. Thus, utilizing the revenue estimates from the DOR but having an operative date of July 1, 2026, we estimate the following increases to General Fund and Cash Fund revenues as a result of repealing the sales and use tax exemption regarding data centers:

<i>Fiscal Year</i>	<i>General Fund</i>	<i>Highway Trust Fund</i>	<i>Highway Allocation Fund</i>	<i>Total</i>
<i>FY27</i>	\$4,959,000	\$183,000	\$33,000	\$5,175,000
<i>FY28</i>	\$4,328,000	\$175,000	\$31,000	\$4,534,000
<i>FY29</i>	\$3,462,000	\$140,000	\$25,000	\$3,627,000

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

Political subdivisions and the Nebraska Association of County Officials estimate various other increases for revenues as a result of the bill as well as reductions to revenues from the changes to inheritance tax under the bill.

Expenditures:

We estimate a need for \$5.6 million of appropriation each fiscal year as a result of \$5.6 million to be sent to counties as aid from the Inheritance Tax Distribution Fund.

The Department of Education notes that the bill reduces the percentage of motor vehicle taxes passed through to the school districts by allowing the county treasurer to keep 2%, a change from 1%. Since motor vehicle taxes are an accountable receipt, this will result in a small increase to TEEOSA for equalized districts.

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

2026

LB⁽¹⁾ 468 AM 874 AM1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Department of Economic Development

Prepared by: ⁽³⁾ Kob Kitcharoen Date Prepared: ⁽⁴⁾ 12/17/25 Phone: ⁽⁵⁾ (402) 471-3741

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

LB468 AM 874 as amended by AM1447 eliminates changes to the Site and Building Development Fund and the ImagiNE Nebraska Act and does not appear to have a fiscal impact on the Department of Economic Development.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:	NUMBER OF POSITIONS	2026-27 EXPENDITURES	2027-28 EXPENDITURES
POSITION TITLE	<u>26-27</u>	<u>27-28</u>	
Benefits.....	_____	_____	_____
Operating.....	_____	_____	_____
Travel.....	_____	_____	_____
Capital outlay.....	_____	_____	_____
Aid.....	_____	_____	_____
Capital improvements.....	_____	_____	_____
TOTAL.....			

LB⁽¹⁾ 468 AM874 AM 1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Motor Vehicles

Prepared by: ⁽³⁾ Bart Moore

Date Prepared: ⁽⁴⁾ 12/8/2025

Phone: ⁽⁵⁾ 402-471-3902

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u> <u>EXPENDITURES</u>	<u>REVENUE</u>	<u>FY 2027-28</u> <u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

This legislation will require minimal programming which will be absorbed within existing appropriations.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2026

LB⁽¹⁾ 468 AM 874 AM 1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Department of Education

Prepared by: ⁽³⁾ Bryce Wilson

Date Prepared: ⁽⁴⁾ 12/8/25

Phone: ⁽⁵⁾ 402-471-4320

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>	<u>REVENUE</u>	<u>FY 2027-28</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

AM 1447 reduces the percentage of motor vehicle taxes passed through to the school districts by allowing the county treasurer to keep two percent which is an increase from 1%. Since motor vehicle taxes are an accountable receipt there will be a small increase to TEEOSA for equalized districts and likely a property tax increase for non-equalized districts. Amounts cannot be determined at this time.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2026

LB⁽¹⁾ 468 AM 874 AM 1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County, Nebraska

Prepared by: ⁽³⁾ Dennis Meyer Date Prepared: ⁽⁴⁾ 12/10/2025 Phone: ⁽⁵⁾ 402-441-6869

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2025-26</u>		<u>FY 2026-27</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	<u>1.2M</u>	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

Motor Vehicle Tax & Fees: AM1447 increase from 1% to 2% with approximate increase of 1,500,000.

Revenue Distribution: AM1447 removes the annual \$5 million distribution to counties that existed under LB468 and AM874. Instead, the amendment redirects \$5.6 million annually from the Securities Act Cash Fund to a newly created state-level Inheritance Tax Distribution Fund. Lancaster County's approximate allocation: \$694,400

Inheritance Tax: AM1447 is likely decrease \$1,500,000 depending on Lancaster's decedent mix.

Nameplate Capacity: AM1447 increase of about \$9,600

Marriage Licenses and Certified Copy Fees: AM1447 increase of about \$93,700

Inspection Fees: AM1447 increase of about \$360,000

Distress Warrant Fees: AM1447 increase of about \$13,050

Carline Tax: AM1447 increase of approximately \$55,000

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:	<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u> <u>25-26</u>	<u>26-27</u>	<u>2025-26</u> <u>EXPENDITURES</u>	<u>2026-27</u> <u>EXPENDITURES</u>
	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____	_____

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

2026

LB⁽¹⁾ 468 AM874 AM1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Lancaster County Clerk

Prepared by: ⁽³⁾ Matt Hansen

Date Prepared: ⁽⁴⁾ 12-8-2025

Phone: ⁽⁵⁾ 402-441-7481

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS		\$102,916		\$102,916
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$102,916		\$102,916

Explanation of Estimate:

There were 2,178 marriage licenses and 4,406 certified copies of marriage licenses issued in the 24/25 fiscal year.

2,178 marriage licenses with an increase of \$25/license equals an increase of \$54,450.

4,406 certified copies with an increase of \$11/copy equals an increase of \$48,466.

With both increases in fees, the total revenue increase to the Clerk's Office would be \$102,916.

AM 1447 states Legislative Intent to examine these fees on a recurring basis starting in 2030. Additional increases in the fees enacted by the Legislature would lead to additional revenue to the county.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2026-27</u>	<u>2027-28</u>
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2026

LB⁽¹⁾ LB468 AM874 AM1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Lancaster County Sheriff's Office

Prepared by: ⁽³⁾ Chief Deputy Ben Houchin Date Prepared: ⁽⁴⁾ 12/08/2025 Phone: ⁽⁵⁾ 402-441-6500

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>		<u>FY 2027-28</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>\$692,340</u>	<u>0</u>	<u>\$692,340</u>
CASH FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FEDERAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
OTHER FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL FUNDS	<u>0</u>	<u>\$692,340</u>	<u>0</u>	<u>\$692,340</u>

Explanation of Estimate:

At the present time the cost to have a title inspection completed by the Lancaster County Sheriff's Office is \$10.00. This cost is governed by State Statute.

During 2024 the Lancaster County Sheriff's Office made \$230,780 in revenue to be given to the county's general fund.

If the cost of title inspections goes up to \$30.00, I am estimating that the revenue made by the Sheriff's Office would be approximately \$692,340. This would be an increase of \$461,560.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	26-27	27-28	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

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

2026

LB⁽¹⁾ 468, AM1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ **Nebraska Association of County Officials (NACO)**

Prepared by: ⁽³⁾ **Elaine Menzel** Date Prepared: ⁽⁴⁾ **12/10/2025** Phone: ⁽⁵⁾ **402.434.5660**

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27 EXPENDITURES	REVENUE	FY 2026-27 EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

LB468, AM1447 strikes the original sections and all amendments. The new provisions would

Section 1 - Securities Act Case Fund: \$5,600,000 to the counties proportionately based on real and personal
Section 2 - Marriage License Fees: \$219,094 increase fee from \$25 to \$50
Section 3 - Motor Vehicle Inspections: \$2,141,751 increase from \$10 to \$30 for inspection plus mileage
Section 4 – County Motor Vehicle Tax: 2,528,000 1% to 2% increase for administrative fee
Section 5 – Collection Fee for Car Line Tax – \$2,421,922 - 3% to be distributed to counties – distribution of 90%
to counties with railroad tax levies and 10% to counties that do not levy a railroad tax
Section 6 - Distress Warrant Fees: \$258,570 increase – increase from \$2 to \$20
Section 7 - Advertising Properties with Delinquent Taxes: \$282,495 Increase – increase from \$5 to \$20
Section 11 - Nameplate Capacity Tax Reallocation: \$2,927,344 increase across the state to all counties
Section 12 – county treasurer distribution [reference to 9(b) of 77-6303] new section
Section 13 – Establishes the Inheritance Tax Distribution Fund
Total Revenue Increase: \$ 16,379,176 increase

Inheritance Tax Reduction:

Section 8 - Class I: Increase Exemption from \$100,000 to \$150,000 – same as 11 in 874
Section 9 - Class II Adjustment: Decrease percentage tax rate reduced from 11 % to 7% and the exemption
maintained at \$40,000
Section 10 - Class III Adjustment: Decrease percentage tax rate reduced from 15 % to 7% and the
exemption increased from \$25,000 to \$40,000
Total Revenue Decrease: \$15,366,387

Inheritance Tax Information based on FY2023-2024 from the Department of Revenue. The overall total was
\$93,730,269 – reduction to \$78,363,882 = \$15,366.387.

In sum, NACO estimates a fiscal increase of just over \$1 million in the future.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS	2026-27	2027-28
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	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

2026

LB⁽¹⁾ 468, AM 874, AM 1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

State Treasurer

Prepared by: ⁽³⁾ Jason Walters Date Prepared: ⁽⁴⁾ December 22, 2025 Phone: ⁽⁵⁾ 402-471-2793

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2026-27		FY 2027-28	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

The State Treasurer's Office doesn't expect any fiscal impact from LB 468, AM 874, AM 1447 to the office.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27 EXPENDITURES	2027-28 EXPENDITURES
	<u>26-27</u>	<u>27-28</u>		
Personal Services	_____	_____	_____	_____
Benefits	_____	_____	_____	_____
Operating	_____	_____	_____	_____
Travel	_____	_____	_____	_____
Capital outlay	_____	_____	_____	_____
Aid	_____	_____	_____	_____
Capital improvements	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____

- Currently, the State Treasurer distributes to the taxing subdivisions in proportion to all railroad taxes levied by the taxing subdivisions.
- On and after September 1, 2025, the State Treasurer will distribute 90% to the counties that levy railroad taxes in proportionate amounts based upon the ratio of the total railroad taxes levied by the county to the total railroad taxes levied by all counties. The remaining 10% will be distributed to the counties that do not levy railroad taxes in proportionate amounts based upon the ratio of the total taxable valuation of all real and personal property in the county to the total taxable valuation of all real and personal property within those counties that do not levy railroad taxes.

LB 468 AM 1447 modifies inheritance tax rate as follows:

- For immediate relatives of decedents who die on or after July 1, 2025, from 1% of clear market value in excess of \$100,000 to 1% of clear market value in excess of \$150,000.
- For remote relatives of decedents who die on or after July 1, 2025, from 11% of clear market value of the property received in excess of \$40,000 to 7% of clear market value in excess of \$40,000.
- For all other people who receive property from decedents that die on or after July 1, 2025, from 15% of clear market value in excess of \$25,000 to 7% of clear market value in excess of \$40,000.

LB 468 AM 1447 increases nameplate capacity tax rate per megawatt from \$3,518 to \$6,560. Changes the method of distribution of the proceeds from paying the county treasurer of the county where the facility is located 100% of the proceeds to distributing 70% to the county treasurer of the county where the facility is located and allocating the remaining 30% to all counties in proportion that the total taxable valuation of all real and personal property in the county bears to the total taxable valuation of all real and personal property in the state.

LB 468 AM 1447 creates the Inheritance Tax Distribution Fund. The State Treasurer will distribute funds annually to counties based on the proportion that the total taxable valuation of all real and personal property in the county bears to the total taxable valuation of all real and personal property in the state. Any money in the funds available for investment will be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

LB 468 AM 1447 removes the sales tax exemption related to data centers.

This bill contains an emergency clause and becomes law upon enactment.

Fiscal Impact:

Note that the fiscal impact from DOR only addresses the tax provision the repeal of sale and use tax exemption for data center under 77-2701.54 and 77-2704.62 and nameplate capacity tax.

It is estimated that repealing of sale and use tax exemption for data center under 77-2701.54 and 77-2704.62 will have the following impact:

Fiscal Year	General Fund revenues	Highway Trust Fund	Highway Allocation Fund	Total
FY25-26	\$ 564,000	\$ -	\$ -	\$ 564,000
FY26-27	\$ 5,410,000	\$ 219,000	\$ 39,000	\$ 5,668,000
FY27-28	\$ 4,328,000	\$ 175,000	\$ 31,000	\$ 4,534,000
FY28-29	\$ 3,462,000	\$ 140,000	\$ 25,000	\$ 3,627,000

The proposed increase in the nameplate capacity tax under LB 468 AM 1447 is projected to generate approximately \$11 million in additional tax revenue for the county in fiscal year 2026-2027.

It is estimated that there will be minimal costs for the Department of Revenue to implement this bill.

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

2026

LB⁽¹⁾ 468 – AM 1447

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Department of Banking and Finance

Prepared by: ⁽³⁾ John Drahota

Date Prepared: ⁽⁴⁾ 12/29/2025

Phone: ⁽⁵⁾ 402-471-4954

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2026-27</u>	<u>REVENUE</u>	<u>FY 2027-28</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	0	0	0	0
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	_____	_____	_____	_____

Explanation of Estimate:

LB 468 AM 1447 Sec. 1 (7)(b) Identifies transfers of the Securities Act Cash Fund from \$34M to \$28.4M (identifying \$5.6M) on or before June 30, 2026, and from \$28M to \$22.4M (identifying \$5.6M) for subsequent years.

Sec. (1)(7)(c) The adjustment of \$5.6 Million (above) that was being transferred to the General Fund will now be transferred to the Inheritance Tax Distribution Fund on July 15, 2025 and on July 15 of each year thereafter.

Thus, the total of the funds transferred out of the Securities Act Cash fund (\$ 28.4M + \$5.6M = \$34M) (\$22.4M + \$5.6M = \$28M) does not change with no fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2026-27	2027-28
	<u>26-27</u>	<u>27-28</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Personal Services.....	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874, 1447	AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)
REVIEWED BY: Ryan Yang	DATE: 1/9/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the NACO assessment of fiscal impact from LB 468 as amended by AM 874 and AM 1447.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874, 1447	AGENCY/POLT. SUB: Lancaster County
REVIEWED BY: Ryan Yang	DATE: 1/9/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County assessment of fiscal impact from LB 468 as amended by AM 874 and AM 1447.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874, 1447	AGENCY/POLT. SUB: Lancaster County Treasurer
REVIEWED BY: Ryan Yang	DATE: 12/16/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County Treasurer assessment of positive fiscal impact from LB 468 as amended by AM 874 and AM 1447.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874, 1447	AGENCY/POLT. SUB: Department of Economic Development (DED)
REVIEWED BY: Ryan Yang	DATE: 1/9/2026	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the DED assessment of no fiscal impact from LB 468, AM 874 and AM 1447.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874, 1447	AGENCY/POLT. SUB: State Treasurer
REVIEWED BY: Ryan Yang	DATE: 1/9/2025	PHONE: (402) 471-4178
COMMENTS: Concur with the State Treasurer assessment of no fiscal impact from LB 468, AM 874 and AM 1447.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874, 1447	AGENCY/POLT. SUB: Lancaster County Sheriff's Office
REVIEWED BY: Ryan Yang	DATE: 12/16/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Lancaster County Sheriff's Office assessment of positive fiscal impact from LB 468 as amended by AM 874 and AM 1447.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874, 1447	AGENCY/POLT. SUB: Nebraska Department of Education (NDE)
REVIEWED BY: Ryan Yang	DATE: 12/16/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the NDE assessment of indeterminate fiscal impact from LB 468 as amended by AM 874 and AM 1447.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874,1447	AGENCY/POLT. SUB: Nebraska Department of Banking and Finance
REVIEWED BY: Ryan Yang	DATE: 1/9/2026	PHONE: (402) 471-4178
COMMENTS: Concur with the Nebraska Department of Banking and Finance assessment of no additional fiscal impact from LB 468, AM 1447.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 468	AM: 874, 1447	AGENCY/POLT. SUB: Department of Motor Vehicles
REVIEWED BY: Ryan Yang	DATE: 12/16/2025	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the Department of Motor Vehicles assessment of no fiscal impact from LB 468 as amended by AM 874 and AM 1447.		