Doug Gibbs March 08, 2011 402-471-0051

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *						
	FY 201	11-12	FY 2012-13			
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE		
GENERAL FUNDS		(\$269,000)		(\$472,000)		
CASH FUNDS						
FEDERAL FUNDS						
OTHER FUNDS						
TOTAL FUNDS		(\$269,000)		(\$472,000)		

^{*}Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 82 amends the Nebraska Revenue Act of 1967, Nebraska Revised Statutes Sections 77-2701.10 and 77-2701.16.

Section 77-2701.01 is amended to change the definition of "contractor or repairperson" to include someone who incorporates sod into real estate.

Section 77-2701.16 is amended to exempt the sale of sod from sales and use tax by excluding sod from the definition of gross receipts.

The bill has an operative date of October 1, 2011.

The Department of Revenue estimates the fiscal impact of LB 802 to the General Fund due to a reduction in sales and use tax receipts as follows:

FY11-12: (\$ 269,000) FY12-13: (\$ 472,000) FY13-14: (\$ 484,000) FY14-15: (\$ 496,000)

The Department also indicates there would be no cost to the Department to implement LB 802.

There is no basis to disagree with the Department's estimate of fiscal impact.

IMPACT TO POLITICAL SUBDIVISIONS:

The Department of Revenue estimates the impact to political subdivisions to be a reduction in Local Option sales tax revenue of approximately \$125,000 annually.

DEPARTMENT OF ADMINISTRATIVE SERVICES

	REVIEWED BY	Lyn Heaton	DATE 3/9/11	PHONE 471-2526
COMMENTS				
DEPT. OF RE	EVENUE – No basis upor	n which to disagree.		

RECEIVED

JAN 3 1 2011

LB 82

LEGISLATIVE FISCAL

Fiscal Note

2011

		State Agency	Estimate			
State Agency Name: Department	Date Due LFA:					
Approved by: Douglas Ewald		Date Prepared:	d: 1/21/11 Phone: 471-5700			
	FY 2011-2012		FY 2012-2013		FY 2013-2014	
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue
General Funds		(\$ 269,000)	[(\$ 472,000)		(\$ 484,000)
Cash Funds						
Federal Funds						
Other Funds						
Total Funds		(\$ 269,000)		(\$ 472,000)		(\$ 484,000)

LB 82 amends the definition of a contractor to include any person that incorporates sod into real estate. It also exempts the sale of sod from sales and use tax by excluding sod from the definition of gross receipts.

It is estimated that the cost to the General Fund to implement this bill would be as follows:

FY 2011-12 (\$ 269,000)

FY 2012-13 (\$ 472,000)

FY 2013-14 (\$ 484,000)

FY 2014-15 (\$ 496,000)

LB 82 is expected to reduce local government revenue by \$125,000 annually.

It is estimated that there would be no costs to the Department.

The operative date is October 1, 2011.

	Maj	or Objects of E	xpenditi	ure			
Class Code	Classification Title	11-12 <u>FTE</u>	12-13 <u>FTE</u>	13-14 FTE	11-12 Expenditures	12-13 Expenditures	13-14 Expenditures
enefits.							
perating Costs							
apital Outlay							
apital Improvements	••••••						