PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs March 04, 2013 402-471-0051

LB 490

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)						
	FY 2013-14		FY 2014-15			
	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 490 amends the Nebraska Revenue Act of 1967, regarding individual income tax rates.

The bill would change, for taxable years beginning on or after January 1, 2014, the tax rates for each bracket to an unspecified rate; brackets would not be changed.

The bill, as written, has no fiscal impact to the state.

NOTE: For FY2012-13 net receipts from the individual income tax was \$1,822,884,254.

LB 490 Fiscal Note 2013

		State Agency	Estimate				
State Agency Name: Department of	of Revenue				Date Due LFA:	03/04/2013	
Approved by: Douglas Ewald		Date Prepared:	03/01/2013		Phone: 471-5896		
	FY 2013-2014		FY 2014-2015		FY 2015-2016		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds	\$44,338	*	\$0	*	\$0	*	
Cash Funds							
Federal Funds							
Other Funds							
Total Funds	\$44,338	*	\$0	*	\$0	*	

LB 490 authorizes the imposition of unspecified individual income tax rates for tax years beginning on or after January 1, 2014. The income tax brackets do not change under LB 490.

Bracket	Married, Filing	Head of	Single	Jan 1, 2014	LB 490
Number	Jointly	Household	Individuals	Rate	Rate
1	\$0 - 6,000	\$0 - 5,600	\$0 - 3,000	2.46%	X%
2	\$6,000 - 36,000	\$5,600 - 28,800	\$3,000 - 18,000	3.51%	X%
3	\$36,000 - 58,000	\$28,800 - 43,000	\$18,000 - 29,000	5.01%	X%
4	Over \$58,000	Over \$43,000	Over \$29,000	6.84%	X%

The revenue gains or losses due to LB 490 are undeterminable due the unspecified individual income tax rates.

Changing the individual income tax rates will require a one-time programming charge of \$44,338 paid to the OCIO for mainframe programming change.

Major Objects of Expenditure							
Class Code	Classification Title	13-14 <u>FTE</u>	14-15 <u>FTE</u>	15-16 <u>FTE</u>	13-14 Expenditures	14-15 Expenditures	15-16 Expenditures
D. C.							
Operating Costs					\$44,338	\$0	\$0
Capital Outlay							
TD 4 1					\$44,338	\$0	\$0