PREPARED BY: DATE PREPARED: PHONE: Douglas Gibbs February 15, 2018 402-471-0051

LB 1076

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT — STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	18-19	FY 2019-20				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS							
CASH FUNDS		\$1,605,000		\$5,102,000			
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS		\$1,605,000		\$5,102,000			

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

LB 1076 amends Nebraska Revised Statutes Sections 76-901, 76-903, and 77-1327.

Section 76-901 is amended to increase the documentary stamp tax from the current rate of \$2.25 per \$1,000 of value to a new rate of \$2.75 per \$1,000 of value.

Section 76-903 is amended to provide that from each \$2.75 of the documentary stamp tax collected, \$0.50 is to be credited to the Property Tax Credit Cash Fund. All other distributions of the tax remain as is.

Section 77-1327 is amended to harmonize language.

The bill has an operative date of January 1, 2019.

The Department of Revenue estimates the following fiscal impact to the Property Tax Credit Cash Fund:

FY2018-19: \$ 1,605,000 FY2019-20: \$ 5,102,000 FY2020-21: \$ 5,407,000 FY2021-22: \$ 5,729,000

The Department of Revenue indicates that there will be minimal costs to the Department to implement the provisions of LB 1076.

We have no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE					
LB: 1076	AM:	AGENCY/POLT. SUB:	Revenue		
REVIEWED BY: Lyn Heaton DATE: 2/20/2018 PHONE: (402) 471-4181					
COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis. Technical Note: While the Department's fiscal note does not include an estimate of expenditure, it is assumed that the expenditures from the Property Tax Credit Cash Fund will approximately equal the amount of revenue to the fund each fiscal year.					

LB 1076 Fiscal Note 2018

State Agency Estimate							
State Agency Name: Department of Revenue Date Due LFA: 2/20/2					2/20/2018		
Approved by: Tony Fulton		Date Prepared:	2/16/2018		Phone: 471-5896		
	FY 2018-2019		FY 2019-2020		FY 2020-2021		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds							
Cash Funds		\$ 1,605,000		\$ 5,102,000		\$ 5,407,000	
Federal Funds							
Other Funds				•			
Total Funds		\$ 1,605,000		\$ 5,102,000		\$ 5,407,000	

LB1076 amends Neb. Rev. Stat. §§ 76-901, 76,903, and 77-1327 to increase the documentary stamp tax from \$2.25 per \$1,000 of value to \$2.75 per \$1,000 of value, and provide that the extra \$0.50 remitted will be credited to the Property Tax Credit Cash Fund.

It is estimated that this bill will have no impact on General Fund revenues. The estimated increase to the Property Tax Credit Cash Fund would be as follows:

Fiscal	Property Tax Credit
Year	Cash Fund
2018-19	\$ 1,605,000
2019-20	\$ 5,102,000
2020-21	\$ 5,407,000
2021-22	\$ 5,729,000

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

The operative date for this bill is January 1, 2019.

Major Objects of Expenditure							
Class Code	Classification Title	18-19 <u>FTE</u>	19-20 <u>FTE</u>	20-21 <u>FTE</u>	18-19 Expenditures	19-20 Expenditures	20-21 Expenditures
Benefits	Benefits.						
Operating Costs	Operating Costs						
Travel	Travel						
Capital Outlay							
Capital Improvements							
	Total						