

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2025-26</b>		<b>FY 2026-27</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS	\$4,524,842			
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	\$4,524,842	See Below		See Below

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

LB 81 amends the Nebraska Property Tax Incentive Act.

The bill defines the allowable growth percentage to mean the percentage increase, if any, in the total assessed value of all real property in the state from the prior year to the current year as determined by the Department of Revenue (DOR).

The bills provides that for taxable years beginning or deemed to begin during calendar year 2024, the DOR shall set the credit percentage, for the refundable school district tax credit under the Act, so that the total amount of credits for such taxable years shall be the maximum amount of credits allowed in the prior year increased by the allowable growth percentage.

The bill contains the emergency clause.

The DOR estimates the following decrease to General Fund revenues as a result of the bill:

- FY25: (\$101,934,000)
- FY26: (\$503,298,000)
- FY27: (\$31,854,000)
- FY28: \$0

DOR estimates a one-time programming charge of \$112,942 to be paid to the Office of the Chief Information Officer (OCIO) as a result of the bill. Additionally, the DOR estimates a need for 98 SOS teammates in FY26 for a total of \$4,411,900 to handle the increase in amended returns and answer questions from taxpayers regarding the credit.

The timing of the passage of this bill could impact the revenue loss in FY25 with the need for the DOR to set-up the requirements to implement the bill. For example, any revenue loss not realized in FY25 would occur in FY26. The total revenue loss estimated by the DOR as a result of this bill would still occur.

