PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs February 03, 2015 402-471-0051

LB 153

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	15-16	FY 2016-17				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS		(\$12,373,000)		(\$12,808,000)			
CASH FUNDS							
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS		(\$12,373,000)		(\$12,808,000)			

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

LB 153 amends the Nebraska Revenue Act of 1967 to exempt the purchase of college textbooks by full-time and part-time students enrolled at institutions of higher education from sales and use tax.

College textbooks are defined as either new or used books and workbooks in either print or electronic format and are required or recommended for a college course.

The bill has an operative date of July 1, 2015 and contains the emergency clause.

The Department of Revenue estimates the following fiscal impact to the General Fund as a result of LB 153:

FY2015-16: (\$ 12,373,000) FY2016-17: (\$ 12,808,000) FY2017-18: (\$ 13,259,000)

The Department of Revenue indicates that they will incur minimal cost to implement the provisions of LB 153.

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. RESPONSES						
LB: 153 AM: AGENCY/POLT. SUB: Dept. of Revenue						
REVIEWED BY: Lyn Heaton			DATE: 2/4/2015		PHONE: 471-4181	
COMMENTS: No basis upon which to disagree with the Department's analysis.						

State Agency Estimate								
State Agency Name: Departmer	nt of Revenue				Date Due LFA:	2/4/2015		
Approved by: Len Sloup		Date Prepared:	2/4/2015		Phone: 471-5896			
	FY 2015-2016		FY 2016-2017		FY 2017-2018			
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue		
General Funds		\$(12,373,000)		\$(12,808,000)		\$(13,259,000)		
Cash Funds								
Federal Funds								
Other Funds								
Total Funds		\$(12,373,000)		\$(12,808,000)		\$(13,259,000)		
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LB 153 provides a sales tax exemption on the sale of college textbooks to full-time and part-time students enrolled at institutions of higher education. The exemption is available beginning July 1, 2015.

College textbooks are defined as new or used books and related workbooks, whether in print or electronic format, required or recommended for a course at an institution of higher education.

The estimated total reduction to the General Fund revenues would be as follows:

FY 2015-2016 \$ 12,373,000 FY 2016-2017 \$ 12,808,000 FY 2017-2018 \$ 13,259,000

LB 153 is estimated to incur minimal costs to the Department.

Major Objects of Expenditure							
Class Code	Classification Title	15-16 <u>FTE</u>	16-17 <u>FTE</u>	17-18 <u>FTE</u>	15-16 Expenditures	16-17 Expenditures	17-18 Expenditures
	Benefits						
	Operating Costs						
Travel	Travel						
Capital Outlay	Capital Outlay.						
Aid.							
Capital Improvements.							
Total							