

PREPARED BY: Doug Gibbs
 DATE PREPARED: February 05, 2015
 PHONE: 402-471-0051

LB 498

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	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 498 amends Nebraska Revised Statutes Sections 77-2703 and 77-2708.

Section 77-2703 is amended to strike language placed in this section by LB 814 in 2014. This language required the county treasurer to collect state and local sales tax on the purchase of all-terrain vehicles and utility-type vehicles at the time the vehicle is registered or titled with the county treasurer. In addition, the seller of such vehicles is required to provide the purchaser with a statement indicating tax imposed on the sale and a certified statement of the transaction on a form prescribed by the Tax Commissioner. The statement is to include the total sales price, trade-in allowance, and net sales price. On vehicles that are rented or leased, the sales tax is to be collected by the lessor.

LB 814 also required that these vehicles must be titled with the county treasurer within 30 days of purchase. If the vehicle is not titled within 30 days of purchase, interest applies to the sales tax until the date of payment. The county treasurer may deduct a collection fee pursuant to the Revenue Act; the collection fee will be forfeited if the county treasurer violates any rule pertaining to the collection of use tax.

LB 498 strikes all of the above.

LB 814 also required that the sales tax collected from the sales of all-terrain vehicles and utility-type vehicles be credited to the Game and Parks Commission Capital Maintenance Fund for a period of five years; between October 1, 2014 and October 1, 2019. This remains unchanged by LB 498.

By striking the language in Section 77-2703 regarding collection of sales tax by the county treasurer, the sales tax on these vehicles will return to being collected by the seller at the time of purchase, and shall be due and payable as is other sales tax and then credited to the Game and Parks Commission Capital Maintenance Fund.

There is no fiscal impact as a result of LB 498.

The Department of Revenue indicates the cost to implement the provisions of LB 498 to be minimal. We agree with the Department of Revenue's estimate of cost.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 498	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 2/9/2015	PHONE: 471-4181
COMMENTS: Concur. No fiscal impact on the Department of Revenue.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 498	AM:	AGENCY/POLT. SUB: Game and Parks Comm.	
REVIEWED BY: Lyn Heaton		DATE: 2/6/2015	PHONE: 471-4181
COMMENTS: Concur. No operational fiscal impact on the Game and Parks Commission.			

Please complete ALL (5) blanks in the first three lines.

2015

LB⁽¹⁾ 498

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Game and Parks Commission

Prepared by: ⁽³⁾ Patrick H. Cole

Date Prepared: ⁽⁴⁾ 1/23/15

Phone: ⁽⁵⁾ 402-471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The proposed legislation removes specific language related to liability, collection and notification of sales tax and titling on all-terrain and utility type vehicles sales as well as similar language associated with their rental or lease. It is presumed that this language change would not have a direct impact on the amount of tax collected on these types of transactions, but merely shift responsibilities on collection/reporting.

No fiscal impact is anticipated.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____