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

LB 542

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		(\$120,000)		(\$186,000)			
CASH FUNDS		(\$4,000)		(\$8,000)			
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS		(\$124,000)		(\$194,000)			

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

LB 542 amends Nebraska Revised Statutes Section 77-2704.15 to provide that the purchases of a county agricultural society are exempt from sales and use taxes.

The bill has an operative date of October 1, 2015.

The Department of Revenue estimates the following fiscal impact as a result of LB 542:

		State Highway Capital	tate Highway Capital Highway Allocation Fund:	
Fiscal Year:	General Fund:	Improvement Fund:	(Local)	Total:
2015-16:	(\$ 120,000)	(\$ 4,000)	(\$ 1,000)	(\$ 125,000)
2016-17:	(\$ 186,000)	(\$ 8,000)	(\$ 1,000)	(\$ 195,000)
2017-18:	(\$ 192,000)	(\$ 8,000)	(\$ 1,000)	(\$ 201,000)
2018-19:	(\$ 197,000)	(\$ 8,000)	(\$ 1,000)	(\$ 206,000)

The Department of Revenue indicates the cost to implement the provisions of LB 542 will be minimal.

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

IMPACT TO POLITICAL SUBDIVISIONS:

The fiscal impact to the Highway Allocation Fund is as follows:

FY2015-16 (\$ 1,000) FY2016-17: (\$ 1,000) FY2017-18: (\$ 1,000) FY2018-19: (\$ 1,000)

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES						
LB: 542 AM: AGENCY/POLT. SUB: Dept. of Revenue						
REVIEWED BY: Lyn Heaton			DATE: 3/4/2015	PHONE: 471-4181		
COMMENTS: No basis upon which to disagree with the Department of Revenue analysis.						

LB 542 Fiscal Note 2015

State Agency Estimate							
State Agency Name: Department o	f Revenue				Date Due LFA:	3/4/2015	
Approved by: Len Sloup Date Prepared:		3/4/2015	Phone: 471-5896				
	FY 2015-2016		FY 2016-2017		FY 2017-2018		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		(\$120,000)		(\$186,000)		(\$192,000)	
Cash Funds		(\$4,000)		(\$8,000)		(\$8,000)	
Federal Funds							
Other Funds		(\$1,000)		(\$1,000)	<u> </u>	(\$1,000)	
Total Funds		(\$125,000)	`	(\$195,000)		(\$201,000)	

LB 542 would provide a sales tax exemption for county agricultural societies.

Departmental cost to implement LB 542 is expected to be minimal.

LB 542 is expected to reduce revenue to the following funds by the amounts below:

Fiscal Year	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund	Total
2015-16	\$120,000	\$4,000	\$1,000	\$125,000
2016-17	\$186,000	\$8,000	\$1,000	\$195,000
2017-18	\$192,000	\$8,000	\$1,000	\$201,000
2018-19	\$197,000	\$8,000	\$1,000	\$206,000

The operative date for LB 542 is October 1, 2015.

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							
Capital Outlay							,
Aid							,
Capital Improvements.							
Total							