Doug Gibbs January 06, 2016 402-471-0051

LB 542

Revision: 01

Updated for the 2016 Legislative Session and includes any amendments adopted to date.

FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES (See narrative for political subdivision estimates)							
	FY 201	16-17	FY 2017-18				
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE			
GENERAL FUNDS		(\$124,000)		(\$192,000)			
CASH FUNDS		(\$4,000)		(\$8,000)			
FEDERAL FUNDS							
OTHER FUNDS							
TOTAL FUNDS		(\$128,000)		(\$200,000)			

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 currently has an operative date of October 1, 2015 which we assume will be changed to October 1, 2016.

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

Fiscal Year:	General Fund:	State Highway Capital Improvement Fund:	Highway Allocation Fund: (Local)	Total:
2016-17:	(\$ 124,000)	(\$ 4,000)	(\$ 1,000)	(\$ 129,000)
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:

FY2016-17: (\$ 1,000) FY2017-18: (\$ 1,000) FY2018-19: (\$ 1,000) LB 542 Fiscal Note 2016

State Agency Estimate							
State Agency Name: Department	of Revenue				Date Due LFA:	12/2/2015	
Approved by: Len Sloup		Date Prepared:	11/17/2015		Phone: 471-5896		
	FY 2016-2017		FY 2017-2018		FY 2018-2019		
	Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds		(\$124,000)	1	(\$192,000)		(\$197,000)	
Cash Funds		(\$4,000)		(\$8,000)		(\$8,000)	
Federal Funds							
Other Funds		(\$1,000)		(\$1,000)		(\$1,000)	
Total Funds		(\$129,000)		(\$201,000)		(\$206,000)	
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LB 542 would provide a sales tax exemption for county agricultural societies.

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

Assuming the bill is amended to provide an operative date of October 1, 2016, 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	
2016-17	\$124,000	\$4,000	\$1,000	\$129,000	
2017-18	\$192,000	\$8,000	\$1,000	\$201,000	
2018-19	\$197,000	\$8,000	\$1,000	\$206,000	

Major Objects of Expenditure							
Class Code	Classification Title	16-17 <u>FTE</u>	17-18 <u>FTE</u>	18-19 <u>FTE</u>	16-17 Expenditures	17-18 Expenditures	18-19 Expenditures
	Benefits						
Operating Costs. Travel.							
Capital Outlay							
Capital Improvements	Capital Improvements.						
Total				• • • • • • • • • • • • • • • • • • • •			