

Updated for the 2018 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 2018-19		FY 2019-20	
	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 565 amends a number of different sections of statute dealing with tax incentive programs and tax credits.

The bill requires the posting of the following information on the Taxpayer Transparency web site maintained by the State Treasurer regarding tax incentive information:

- The identify of each taxpayer receiving an incentive payment under a tax incentive program;
- The location where the taxpayer is earning the incentive payment;
- Name of the incentive program under which the taxpayer is earning the incentive payment;
- List of individual incentive payments received by the taxpayer under the incentive program;
- The public benefits intended to be produced to earn the incentive payments;
- The public benefits that are actually produced to earn incentive payments; and
- Any amount of incentive payments recouped from the taxpayer for failure to provide the required public benefits.

The data required for fiscal years 2008-09 through 2016-17 is to be available on the web site no later than October 1, 2017. The data for subsequent fiscal years is to be available on the web site no later than 30 days after the end of the fiscal year.

NOTE: We assume the above dates will be adjusted as necessary and appropriate.

All state entities are to provide the State Treasurer the information necessary to accomplish the purposes of the bill.

The requirements of LB 565 apply to the following tax incentive programs:

- The Angel Investment Tax Credit Act;
- The Beginning Farm Tax Credit Act;
- The Community Development Assistance Act;
- The Employment and Investment Growth Act;
- The Invest Nebraska Act;
- The Nebraska Advantage Act;
- The Nebraska Advantage Microenterprise Tax Credit Act;
- The Nebraska Advantage Research and Development Act;
- The Nebraska Advantage Rural Development Act;
- The Nebraska Job Creation and Mainstreet Revitalization Act;
- The New Markets Job Growth Investment Act;
- The Quality Jobs Act;
- The renewable energy tax credit in Section 77-27,235.

The Department of Revenue indicates they will require a 0.5 FTE Auditor to implement the provisions of LB 565.

We disagree with the Department of Revenue’s estimate of ongoing cost. While the initial compilation of information may require 0.5 FTE of staff work and time and can be best accomplished through the SOS temporary employment program, we believe the Department can absorb those costs in subsequent years.

The State Treasurer indicates no cost to implement the provisions of LB 565.

We have no basis to disagree with the State Treasurer’s estimate of cost.