Doug Gibbs February 15, 2012 402-471-0051

**LB 883** 

Revision: 00

## FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT - STATE AGENCIES *									
	FY 2012-13		FY 2013-14						
_	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE					
GENERAL FUNDS	\$ 82,450								
CASH FUNDS									
FEDERAL FUNDS									
OTHER FUNDS									
TOTAL FUNDS	\$ 82,450	_							

<sup>\*</sup>Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 883 amends Nebraska Revised Statutes to require a space on the individual income tax form where the taxpayer may designate a specific amount of their income tax refund as a contribution to their Nebraska educational savings plan account beginning with the form filed for tax year 2012.

The Tax Commissioner is to determine the amount of contributions designated to go to the educational savings plan and the State Treasurer is to transfer that amount from the General Fund to the educational savings plan trust. The Tax Commissioner is to provide specific information of the amount contributed by each individual so that each individual's account may be properly credited.

There is no impact to General Fund revenue as a result of LB 883.

The Department of Revenue indicates a one-time charge for programming services from the OCIO of \$82,450.

We agree with the Department's estimate of cost to implement LB 883.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY Lyn Heaton DATE 2/23/12 PHONE 471-2526

COMMENTS

DEPARTMENT OF REVENUE: No basis upon which to disagree.

EB 0 8 2012

**Fiscal Note** 

2012

	State Agency	EstimateG/S/	A.T.		
of Revenue			TVE FISO	Date Due LFA:	1/9/12
	Date Prepared:	1/24/12	CAL	Phone: 471-5700	
FY 2012-		FY 2013-2014		FY 2014-2015	
<u>Expenditures</u>	Revenue	<b>Expenditures</b>	Revenue	<u>Expenditures</u>	Revenue
		\$82,450			1
		\$82,450			
	FY 2012	FY 2012-2013	FY 2012-2013   FY 20	FY 2012-2013   FY 2013-2014	Date Prepared: 1/24/12

LB 883 allows an individual to contribute a refund of income tax to their educational savings plan trust. The Tax Commissioner must annually report these amounts to the State Treasurer.

There is no General Fund revenue impact due to this bill.

Costs to the Department to implement LB 883 are based on the assumption that the individual taxpayer has an existing educational savings plan. These costs will include adding a line to the individual income tax return, a line to NebFile, and creating a new individual income tax schedule for taxpayers to choose beneficiaries and investment options. The Department expects a minimum one-time charge from the OCIO for computer programming services of \$82,450.

The operative date for this bill is January 1, 2013.

	Majo	or Objects of I	Expendit	ure			
Class Code	Classification Title	12-13 FTE	13-14 FTE	14-15 <u>FTE</u>	12-13 Expenditures	13-14 Expenditures	14-15 Expenditures
Benefits					L		
	•••••					\$82,450	
Travel							
Capital Outlay							
	***************************************						
Capital Improvements							
Total						\$82,450	