

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$ 605,000)		(\$ 874,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		(\$ 605,000)		(\$ 874,000)

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

LB 573 amends the Nebraska Revenue Act of 1967, Section 77-2715.08 regarding capital gains.

The bill amends the definition section to provide that individual participants in an employee stock ownership plan (ESOP) under the Internal Revenue Code, section 401(a) are each considered to be separate shareholders for purposes of meeting the five shareholder requirement.

The bill provides that this would become operative for taxable years beginning or deemed to begin January 1, 2014.

The Department of Revenue estimates the following fiscal impact to the General Fund as a result of LB 573:

FY2013-14:	(\$ 605,000)
FY2014-15:	(\$ 874,000)
FY2015-16:	(\$ 961,000)
FY2016-17:	(\$1,057,000)

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

