

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$11,225	\$ 0	\$ 0	(\$10,272,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$11,225	\$ 0	\$ 0	(\$10,272,000)

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

LB 787 amends the Nebraska Revenue Act of 1967 Section 77-2716.

The bill adds language to Section 77-2716 to reduce federal adjusted gross income (AGI) by the amount equal to the principal paid during the tax year on a qualified education loan.

A qualified education loan is defined by the bill as indebtedness incurred by the taxpayer solely to pay the costs of obtaining a graduate degree from an institution of higher learning.

The reduction in AGI is available for the first ten taxable years following the completion and granting of the graduate degree.

The bill is silent on whether or not documentation is required to prove eligibility for the credit

LB 787 is operative for all taxable years beginning on or after January 1, 2015.

The Department of Revenue estimates the following fiscal impact to the General Fund:

FY2014-15:	\$ 0
FY2015-16:	(\$ 10,272,000)
FY2016-17:	(\$ 10,610,000)

The Department of Revenue indicates that LB 787 will require a one-time programming charge of \$11,225 paid to the office of the CIO to add a line to the Form 1040N, Nebraska Schedule I, as well as to the NebFile online filing system.

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

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 787	AM:	AGENCY/POLT. SUB: Coordinating Comm. for Postsecondary Education
REVIEWED BY: Lyn Heaton	DATE: 2/10/2014	PHONE: 402.471.4181
COMMENTS: Concur. No fiscal impact on CCPE.		

Please complete ALL (5) blanks in the first three lines.

2014

LB⁽¹⁾ 787

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Coordinating Commission for Postsecondary Education

Prepared by: ⁽³⁾ Gary Timm

Date Prepared: ⁽⁴⁾ 1/14/2014

Phone: ⁽⁵⁾ 471-0020

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No Fiscal Impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15</u>	<u>2015-16</u>
	<u>14-15</u>	<u>15-16</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

