

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				
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 675 amends Nebraska Revised Statutes Section 77-202 dealing with property tax exemptions.

The bill would remove the property tax exemption for property owned and used by religious organizations. This would have the effect of placing real property, tangible depreciable personal property, and motor vehicles on the tax rolls.

Placing such property on the tax rolls would have an effect on the TEEOSA formula by reducing state aid, but we are unable to determine the dollar amount of the impact.

The bill also amends Section 77-382 by removing a reference to religious organizations.

The bill has an operative date of January 1, 2015.

The Department of Revenue indicates no fiscal impact to the state and no cost to the Department to implement the provisions of LB 675.

We agree with the Department of Revenue's estimate of fiscal impact and cost.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 675	AM:	AGENCY/POLT. SUB: Revenue	
REVIEWED BY: Lyn Heaton		DATE: 1/21/2013	PHONE: 402.471.4181
COMMENTS: The Department's fiscal note is correct that the lack of data regarding the value of property owned by religious organizations (that is used for educational, religious, charitable, or cemetery purposes) makes the impact on the local tax base, and consequently tax revenue, indeterminate. Concur with the Department's analysis regarding the likely impact on the TEEOSA state aid formula. Again, this impact is indeterminate. The Department's estimate of no General Fund revenue impact and no operational cost impact on the Department appears reasonable.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 675	AM:	AGENCY/POLT. SUB: NACO	
REVIEWED BY: Lyn Heaton		DATE: 1/21/2013	PHONE: 402.471.4181
COMMENTS: The NACO fiscal note is correct that without any data regarding the value of property owned by religious organizations (that is used for educational, religious, charitable, or cemetery purposes) the revenue impact on counties, and other local political subdivisions, is indeterminate. It is assumed however that an increase in the taxable assessed value of property could allow an increase in local government property tax revenue if levy rates were maintained.			

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

2014

LB⁽¹⁾ 675

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel

Date Prepared: ⁽⁴⁾ 1/13/2014

Phone: ⁽⁵⁾ 402.434.5660,
ext 225

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:

LB 675 would eliminate the tax exemption for religious organizations. At this time, assessors do not assess properties that are exempt under these provisions; therefore, the fiscal impact is indeterminable.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

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