

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	(\$33,739,000)		(\$82,791,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$11,225	(\$33,739,000)		(\$82,791,000)

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

LB 708 amends the Nebraska Revenue Act of 1967, Section 77-2716 to make adjustments to income subject to Nebraska state income tax.

The bill, for tax year beginning January 1, 2015 and tax years thereafter, would reduce federal adjusted gross income (AGI) by the amount received as Social Security benefits which are included in AGI.

This adjustment would only apply to those taxpayers with a federal AGI of \$250,000 or less (married, filing jointly) and \$125,000 or less (all other returns).

The Department of Revenue estimates the following fiscal impact as a result of LB 17:

FY2014-15: (\$ 33,739,000)
 FY2015-16: (\$ 82,791,000)
 FY2016-17: (\$ 87,152,000)

The Department also indicates a one-time programming cost 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 system.

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

