

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$1,452,000)		(\$2,616,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		(\$1,452,000)		(\$2,616,000)

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

LB 829 amends Nebraska Revised Statutes Section 77-2701.35

The bill amends the definition of sales price to exclude United States postage charges on direct mail that is separately stated on an invoice, bill of sale, or similar document given to the purchaser. This has the effect of exempting such charges from sales tax.

The bill has an operative date of October 1, 2014.

The Department of Revenue estimates the following fiscal impact as a result of LB 829:

FY2014-15:	(\$1,452,000)
FY2015-16:	(\$2,616,000)
FY2016-17:	(\$2,749,000)
FY2017-18:	(\$2,889,000)

The Department indicates no cost to implement the provisions of LB 829.

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

IMPACT TO POLITICAL SUBDIVISIONS:

The Department of Revenue estimates the fiscal impact on the local option sales tax to cities would be an annual reduction of \$586,000.

There is no basis to disagree with the Department's estimate of fiscal impact.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>		
LB: 829	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Lyn Heaton	DATE: 1/28/2014	PHONE: <a href="tel:402.471.4181">402.471.4181</a>
COMMENTS: No basis upon which to disagree with the Dept. of Revenue analysis. Agree that there is no administrative fiscal impact for the Department to implement.		

