

**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	\$ 0		\$ 406,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$ 0</b>		<b>\$ 406,000</b>	

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

LB 1087 amends Nebraska Revised Statutes dealing with the homestead exemption.

The bill provides for a 100% property tax exemption for a veteran with a honorable or general (under honorable conditions) discharge who is drawing compensation for a 100% disability from the U.S. Dept. of Veterans Affairs and who is not eligible for the existing total homestead exemption. This provision would also apply to that veteran's unremarried widow or widower.

LB 1087 also gives a 100% property tax exemption to the unremarried widow or widower of any honorably discharged (or general discharge under honorable conditions) veteran who died because of a service-connected disability.

Finally, the bill gives a 100% property tax exemption to the unremarried widow or widower of a serviceman or servicewomen, including a veteran other than a veteran described in Section 80-401.01, whose death on active duty was service connected.

The above exemption would be granted regardless of the claimant's income level or property value.

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

The Department of Revenue estimates that LB 1087 would increase expenditures from the General Fund by the following amounts:

FY2014-15:	\$ 0
FY2015-16:	\$ 406,000
FY2016-17:	\$ 416,000

The Department of Revenue estimates the cost to implement LB 1087 will be minimal.

There is no basis to disagree with the Department of Revenue's estimate of expenditure.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>		
LB: 1087	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Lyn Heaton	DATE: 2/5/2014	PHONE: <a href="tel:402.471.4181">402.471.4181</a>
COMMENTS: No basis to disagree with the Department of Revenue's analysis.		

