

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$1,359,000)		(\$10,353,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$1,359,000)		(\$10,353,000)

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

LB 228 amends the Nebraska Revenue Act of 1967, Section 77-2734.02, regarding the corporate income tax.

For the taxable year beginning January 1, 2016 and thereafter, LB 228 would change the corporate income tax rate from 5.58% to 5.01% for the first \$100,000 of taxable income, and go from 7.81% to 6.84% on all taxable income in excess of \$100,000.

The Department of Revenue estimates the following fiscal impact to the General Fund as a result of LB 228:

FY2015-16	(\$ 1,359,000)
FY2016-17:	(\$ 10,353,000)
FY2017-18:	(\$ 30,870,000)
FY2018-19:	(\$ 40,647,000)
FY2019-20:	(\$ 40,560,000)

The Department of Revenue indicates the cost to implement the provisions of LB 228 to be minimal.

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

