

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				
CASH FUNDS		(\$1,498,000)		(\$2,680,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$1,498,000)		(\$2,680,000)

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

LB 386 amends Nebraska Revised Statutes Section 77-2704 to provide that the sales and use tax exemption for depreciable agricultural machinery and equipment used in commercial agriculture will now apply to trailers purchased, leased, or rented by a farmer or rancher and used to transport agricultural machinery and equipment or supplies used in commercial agriculture to or from that person's farm or ranch.

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

The Department of Revenue estimates the following fiscal impact of LB 386:

Fiscal Year:	Highway Cash Fund:	Highway Allocation Fund: (Local)	Total:
2015-16:	(\$ 1,498,000)	(\$ 1,592,000)	(\$ 3,090,000)
2016-17:	(\$ 2,680,000)	(\$ 2,848,000)	(\$ 5,528,000)
2017-18:	(\$ 2,746,000)	(\$ 2,918,000)	(\$ 5,664,000)
2018-19:	(\$ 2,853,000)	(\$ 3,032,000)	(\$ 5,885,000)

The Department of Revenue indicates the cost to implement LB 386 will be minimal.

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

IMPACT TO POLITICAL SUBDIVISIONS:

The estimated fiscal impact to political subdivisions is as follows:

FY2015-16:	(\$ 1,592,000)
FY2016-17:	(\$ 2,848,000)
FY2017-18:	(\$ 2,918,000)
FY2018-19:	(\$ 3,032,000)

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 386	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 2/26/2015	PHONE: 471-4181
COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis.			

