

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	\$36,120		\$0	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$36,120		\$0	

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

LB 476 requires each county assessor to annually prepare and submit to the Property Tax Administrator, a list of each tax exempt parcel of real property in the county and the estimated market value of each parcel.

Based on the lists received from the county assessor, the Property Tax Administrator is to prepare a report listing each tax exempt property in the state, the estimate market value of each parcel, and a breakdown of the estimated market value of such property located in each county, city, village, and school district.

The report is to be submitted to the Legislature by December 31 each year.

The bill would become operative three months following adjournment of the Legislature.

The Department of Revenue indicates a one-time cost paid to the Office of the CIO of \$36,120 to develop a new database.

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

IMPACT TO POLITICAL SUBDIVISIONS:

The Nebraska Association of County Officials indicates that the cost to implement LB 476 would be significant and determining the estimated market value nearly impossible for some exempt property, such as the University of Nebraska-Lincoln’s Memorial Stadium or the State Capitol. Typically these properties rarely, if ever, sell and therefore no comparison sales data can be found.

We have no basis to disagree with the Association’s estimate of cost.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 476	AM:	AGENCY/POLT. SUB: Dept. of Revenue
REVIEWED BY: Lyn Heaton	DATE: 3/3/2015	PHONE: 471-4181
COMMENTS: The Department of Revenue’s estimate of the cost to compile the list of parcels which are exempt from the property tax and then their ability to disaggregate the lists at various levels will depend to a great extent on the sophistication (or lack thereof) of the method for compiling and maintaining the information. In other words, an online data submission mechanism requiring application development that incorporates a SQL or other similar database has a different cost than 93 uniformly formatted and structured spreadsheets emailed in and then subsequently combined into a single spreadsheet file.		

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 476	AM:	AGENCY/POLT. SUB: NE. Assoc. of County Officials (NACO)
REVIEWED BY: Lyn Heaton	DATE: 3/3/2015	PHONE: 471-4181
COMMENTS: Though no exact cost estimate is provided, I have no basis upon which to disagree with the NACO analysis that the bill will increase costs for county assessors.		

Please complete ALL (5) blanks in the first three lines.

2015

LB⁽¹⁾ 476

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel

Date Prepared: ⁽⁴⁾ 1/20/2015

Phone: ⁽⁵⁾ 402-434-5660

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

LB 476 would require an assessor to (a) compile a list of each parcel of real property in the county which is exempt from the property tax, (b) determine the estimated market value of each such parcel, and (c) submit such list, along with the estimated market values, to the Property Tax Administrator. The cost of the assessor performing these functions would be significant and nearly impossible to determine for some exempt property, such as the University of Nebraska – Lincoln football stadium or the State Capitol. Typically these properties rarely, if ever, sell and therefore no comparison sales data can be found.