

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2017-18</b>		<b>FY 2018-19</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		(\$1,163,000)		(\$1,191,000)
CASH FUNDS		(\$47,000)		(\$48,000)
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		(\$1,210,000)		(\$1,239,000)

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

LB 325 amends the Nebraska Revenue Act of 1967 to create a sales tax holiday for energy star qualified products.

The bill would exempt energy star qualified products with a sales price of \$1,500 or less purchased for noncommercial or personal use from sales and use taxes during the period from 12:01 a.m. on the first Friday in October until midnight on the first Sunday after the first Friday in October.

The following products would be eligible for the exemption: dishwashers, clothes washers, clothes dryers, air conditioners, furnaces, water heaters, ceiling fans, fluorescent light bulbs, dehumidifiers, refrigerators, doors, or windows. They must meet the energy efficiency guidelines set by the U.S. Environmental Protection Agency and the U.S. Department of Energy and be authorized to carry the energy star label.

The bill becomes operative on October 1, 2017.

The Department of Revenue is given rule and regulation authority.

The Department of Revenue estimates the following fiscal impact of LB 325:

<b>Fiscal Year:</b>	<b>General Fund:</b>	<b>State Highway Capital Improvement Fund:</b>	<b>Highway Allocation Fund</b>	<b>Total:</b>
2017-18:	(\$ 1,163,000)	(\$ 47,000)	(\$ 8,000)	(\$ 1,218,000)
2018-19:	(\$ 1,191,000)	(\$ 48,000)	(\$ 9,000)	(\$ 1,248,000)
2019-20:	(\$ 1,222,000)	(\$ 49,000)	(\$ 9,000)	(\$ 1,280,000)
2020-21:	(\$ 1,254,000)	(\$ 51,000)	(\$ 9,000)	

The Department of Revenue indicates that the cost to implement the provisions of LB 325 will be minimal.

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

**IMPACT TO POLITICAL SUBDIVISIONS:**

The fiscal impact to the Highway Allocation Fund is as follows:

FY2017-18:	(\$ 8,000)
FY2018-19:	(\$ 9,000)
FY2019-20:	(\$ 9,000)
FY2020-21:	(\$ 9,000)

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB:325	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Lyn Heaton	DATE: 2/1/2017	PHONE: <a href="tel:(402)471-4181">(402) 471-4181</a>
COMMENTS: No basis upon which to disagree with the Dept. of Revenue's analysis.		

