

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$57,746	\$0	\$0	(\$42,400,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$57,746</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$42,400,000)</b>

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

LB 954 amends Nebraska Revised Statutes Section 77-2715.07 to provide a refundable income tax credit to renters.

The amount of the credit would be equal to 2% of the rent paid by an individual for their primary residence in the taxable year. The credit may not exceed \$500.

The bill is operative for tax years beginning on or after January 1, 2019.

The Department of Revenue has estimated the following fiscal impact to the General Fund:

FY2018-19:	\$	0
FY2019-20:	(\$	42,400,000)
FY2020-21:	(\$	44,400,000)

The Department of Revenue also indicates that they will require \$57,746 in one-time programming costs paid to the Office of the CIO to make changes to NebFile and Form 1040N. The bill will not require a personnel increase provided the Department would not be required to develop a rent-verification database.

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

