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PREPARED BY: Doug Gibbs
DATE PREPARED: March 08, 2011
PHONE: 402-471-0051

LB 561

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 561 amends Nebraska Revised Statute Section 77-2701.02 to change the sales tax rate to an unspecified rate on October 1, 2011.

As the rate is not specified, LB 561 as written has no fiscal impact.

The Department of Revenue has estimated that if the sales tax rate were to be increased (or decreased) by a half cent, the General Fund would be increased (decreased) by the following amounts.

FY2011-12:	\$ 115,802,000	(\$ 115,802,000)
FY2012-13:	\$ 159,963,000	(\$ 159,963,000)
FY2013-14:	\$ 166,926,000	(\$ 166,926,000)
FY2014-15:	\$ 175,068,000	(\$ 175,068,000)

A change in the sales tax rate would also result in an increase (or decrease) in the Highway Trust Fund and/or Highway Allocation Fund.

The cost to the Department of Revenue to implement LB 561, if a rate was specified, would include \$12,000 for programming.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	3/15/11	PHONE	471-2526
COMMENTS					
DEPARTMENT OF REVENUE: No basis upon which to disagree.					

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LB 561

LEGISLATIVE BUDGET

Fiscal Note 2011

State Agency Estimate

State Agency Name: Department of Revenue		Date Prepared: 1/24/2011		Date Due LFA: 1/26/2011		
Approved by: Douglas Ewald				Phone: 471-5700		
	FY 2011-2012		FY 2012-2013		FY 2013-2014	
	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Revenue</u>
General Funds		(See Below)		(See Below)		(See Below)
Cash Funds		(See Below)		(See Below)		(See Below)
Federal Funds						
Other Funds						
Total Funds	\$12,000	(See Below)		(See Below)		(See Below)

LB 561 is a placeholder for changing the sales tax rate for sales made on or after October 1, 2011. The rate is not specified.

If the state sales tax rate were increased (decreased) by a half cent, the General Fund would be increased (decreased) by the following amounts:

- FY 2011-12: \$115,802,000
- FY 2012-13: \$159,963,000
- FY 2013-14: \$166,926,000
- FY 2014-15: \$175,068,000

A change in the sales tax rate would also result in an increase (decrease) in the Highway Trust Fund.

Departmental cost to implement LB 561 includes a programming cost of \$12,000.

Major Objects of Expenditure

Class Code	Classification Title	11-12	12-13	13-14	11-12	12-13	13-14
		FTE	FTE	FTE	Expenditures	Expenditures	Expenditures
	Benefits.....						
	Operating Costs.....				\$12,000		
	Travel.....						
	Capital Outlay.....						
	Aid.....						
	Capital Improvements.....						
	Total.....				\$12,000		