

mg

PREPARED BY: Doug Gibbs
DATE PREPARED: January 22, 2012
PHONE: 402-471-0051

LB 830

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$ 362,000)		(\$ 525,000)
CASH FUNDS				(\$ 25,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$ 362,000)		(\$ 550,000)

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

LB 830 amends the Nebraska Revenue Act, Nebraska Revised Statutes Section 77-2701.04 to provide a sales and use tax exemption for biochips.

Biochips are defined as a solid substrate upon or into which is incorporated specific genetic or protein information or chemicals that are queried through one or more chemical interactions allowing (a) an isolation of one or more single nucleotide polymorphisms which constitute an animal or plant genotype, (b) an expression profile which measures activity of genes or the presence of proteins, or (c) a detailed genomic sequence or protein profile. The specific genetic or protein information or chemicals incorporated upon or into the biochip are consumed in the process of conducting the analysis.

The bill has an operative date of July 1, 2012 and contains the emergency clause.

The Department of Revenue estimates a reduction of sales and use tax revenue as follows:

	General Fund:	Highway Improvement Fund:	Highway Allocation Fund:	Total Impact:
FY2012-13:	(\$ 362,000)	\$ 0	\$ 0	(\$ 362,000)
FY2013-14:	(\$ 525,000)	(\$ 21,250)	(\$ 3,750)	(\$ 550,000)
FY2014-15:	(\$ 554,591)	(\$ 22,448)	(\$ 3,961)	(\$ 581,000)

The Department indicates minimal cost to implement the provisions of LB 830.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact and cost.

IMPACT TO POLITICAL SUBDIVISIONS:

The fiscal impact is dependent on the location of the business purchasing the biochips but could range from \$ 0 to \$99,000 in FY 2012-13 and \$0 to \$150,000 in FY2013-14.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	1/24/12	PHONE 471-2526
COMMENTS			
DEPT. OF REVENUE – The agency analysis appears reasonable.			

