

Updated for the 2014 Legislative Session, includes any amendments adopted to date.

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2014-15</b>		<b>FY 2015-16</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$6,759,000)		(\$9,280,000)
CASH FUNDS		(\$274,000)		(\$376,000)
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		(\$7,033,000)		(\$9,656,000)

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

LB 96 amends the Nebraska Revenue Act of 1967, regarding sales and use taxes.

The bill would exempt the sale of repairs and replacement parts for agricultural machinery or equipment used in commercial agriculture from sales and use taxes.

The bill also sunsets the current sales and use tax refund for repairs or parts for agricultural machinery equipment used in commercial agriculture on October 1, 2013. Purchases for which taxes were paid prior to that date would still be eligible for the refund.

The bill currently has an operative date of October 1, 2013. Assuming the bill will be amended to change the operative date to October 1, 2014 we estimate the following impacts based on Department of Revenue information:

Fiscal Year:	General Fund:	State Highway Capital Improvement Fund (Cash):	Highway Allocation Fund (Local):	Total:
2014-15:	(\$6,759,000)	(\$274,000)	(\$48,000)	(\$ 7,081,000)
2015-16:	(\$9,280,000)	(\$376,000)	(\$66,000)	(\$ 9,722,000)
2016-17:	(\$9,514,000)	(\$385,000)	(\$68,000)	(\$ 9,967,000)
2017-18:	(\$9,719,000)	(\$393,000)	(\$69,000)	(\$10,181,000)

The Department of Revenue estimates that the cost to implement the provisions of LB 96 to be minimal.

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

IMPACT TO POLITICAL SUBDIVISIONS:

The Department of Revenue estimates the following fiscal impact to the Highway Allocation Fund as a result of LB 96:

FY2014-15:	(\$48,000)
FY2015-16:	(\$66,000)
FY2016-17:	(\$68,000)
FY2017-18:	(\$69,000)