

State of Nebraska

LEGISLATIVE COUNCIL



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**Legislative Fiscal Office
PO Box 94604, State Capitol
Lincoln, NE 68509-4604**

July 13, 2016

Patrick J. O'Donnell
Clerk of the Legislature
Room 2018, State Capitol
Lincoln, NE 68509

Dear Mr. O'Donnell:

As required by R.R.S., 2009, 77-4601, we are transmitting to you our certification of General Fund net receipts for each month of the fiscal year beginning July 1, 2016. The attached table titled "Monthly Consensus Estimates" schedules monthly receipt estimates derived from the annual net receipt estimate of the Nebraska Economic Forecasting Advisory Board produced February 26, 2016, adjusted for estimated revenue impacts from legislation enacted during the 104th Legislature, Second Session. In addition, this certification includes a reduction of \$12.9 million to FY 2016-17 personal income tax receipts due to a reduction in withholding rates beginning January 1, 2017.

Please accept this letter and attachments as the required certification of total annual General Fund net receipts and for each month of the fiscal year beginning July 1, 2016.

Sincerely,

A handwritten signature in black ink that reads "Tony Fulton".

Tony Fulton
Tax Commissioner

Sincerely,

A handwritten signature in black ink that reads "Michael Calvert".

Michael Calvert
Legislative Fiscal Analyst

Nebraska Department of Revenue and Legislative Fiscal Office

Monthly Consensus Estimate of General Fund Receipts Nebraska Economic Advisory Board February 26, 2016

Fiscal Year 2016-2017
(Amounts in Thousands of Dollars)
(Detail may not add to total due to rounding)

Gross Receipts:	July	August	September	October	November	December	January	February	March	April	May	June	Total
Sales & Use	195,379	185,143	181,837	186,761	180,498	176,718	219,480	164,705	163,565	187,541	177,321	182,968	2,201,917
Ind Income	92,535	262,033	239,870	107,515	251,508	207,062	208,090	298,585	241,844	440,657	273,578	236,393	2,859,670
Corp Income	13,674	10,306	57,660	15,485	13,049	60,375	14,373	13,345	63,028	31,611	14,311	53,007	360,225
Misc Taxes	10,559	11,674	35,998	6,396	10,854	10,115	10,490	10,493	27,160	35,777	9,671	43,854	223,040
Total Gross	312,147	469,156	515,366	316,157	455,909	454,272	452,433	487,127	495,597	695,586	474,881	516,221	5,644,851
Refunds													
City STX	32,776	34,330	33,262	32,650	35,581	32,676	30,769	40,220	30,450	30,810	34,685	33,784	401,994
Sales & Use	8,427	7,639	4,980	6,465	10,825	12,194	7,390	4,331	5,420	5,846	4,456	13,893	91,864
IMV-Highway TF	1,134	1,166	1,155	1,134	1,190	1,182	1,181	1,223	1,180	1,204	1,232	1,196	14,178
HWYFUND	6,348	6,667	6,553	6,457	6,244	6,209	5,686	8,034	5,886	6,273	6,500	6,266	77,122
C&S Turnback	0	863	0	0	836	6,337	0	861	0	0	751	0	9,647
Ind Income Tax	7,918	6,910	4,903	13,012	10,572	5,245	5,627	146,711	98,893	93,532	27,410	11,733	432,467
Corp Income Tax	1,772	2,624	2,790	7,515	9,259	4,561	2,874	2,517	5,663	4,377	4,451	1,820	50,225
Misc Taxes	6	6	6	8	10	27	8	10	10	8	8	9	116
Total Refund	58,381	60,205	53,649	67,241	74,518	68,430	53,534	203,907	147,501	142,050	79,495	68,701	1,077,613
Net Receipts													
Sales & Use	146,694	134,479	135,888	140,055	125,822	118,121	174,454	110,036	120,630	143,408	129,696	127,829	1,607,111
Ind Income	84,617	255,123	234,968	94,502	240,936	201,818	202,463	151,874	142,951	347,124	246,168	224,659	2,427,203
Corp Income	11,901	7,682	54,870	7,970	3,790	55,814	11,500	10,828	57,365	27,234	9,859	51,187	310,000
Misc Taxes	10,553	11,668	35,992	6,388	10,843	10,089	10,482	10,483	27,150	35,769	9,662	43,845	222,924
Total Net	253,766	408,951	461,717	248,915	381,391	385,841	398,999	283,220	348,095	553,535	395,386	447,521	4,567,238

Adjustments to February 2016 Forecast	NEFAB FY2015-16	NEFAB FY2016-17	LFO Prelim FY2017-18	LFO Prelim FY2018-19	
NEFAB Forecast - February 2016					
Sales and Use Tax	1,555,000,000	1,610,000,000	1,698,147,000	1,788,091,000	
Individual Income Tax	2,320,000,000	2,440,000,000	2,544,645,000	2,657,610,000	
Corporate Income Tax	325,000,000	310,000,000	318,988,000	323,988,000	
Miscellaneous receipts	220,000,000	215,000,000	185,722,000	178,722,000	
Total General Fund Revenues - Feb 2016	4,420,000,000	4,575,000,000	4,747,502,000	4,948,411,000	
2016 Session Legislation					
Sales and Use Tax	0	(2,889,000)	(5,730,000)	(7,240,000)	
Individual Income Tax	0	75,000	(3,323,000)	(8,480,000)	
Corporate Income Tax	0	0	0	0	
Miscellaneous receipts	8,000,000	7,924,000	(152,000)	(152,000)	
Total 2016 Session Legislation	8,000,000	5,110,000	(9,205,000)	(15,872,000)	
Withholding Tax Change (indexing)					
Sales and Use Tax	0	0	0	0	
Individual Income Tax	0	(12,872,000)	0	0	
Corporate Income Tax	0	0	0	0	
Miscellaneous receipts	0	0	0	0	
Total Withholding Tax change (net)	0	(12,872,000)	0	0	
Total GF Revenues - July 2016 Certification					
Sales and Use Tax	1,555,000,000	1,607,111,000	1,692,417,000	1,780,851,000	
Individual Income Tax	2,320,000,000	2,427,203,000	2,541,322,000	2,649,130,000	
Corporate Income Tax	325,000,000	310,000,000	318,988,000	323,988,000	
Miscellaneous receipts	228,000,000	222,924,000	185,570,000	178,570,000	
Total General Fund Revenues - July 2016 Certification	4,428,000,000	4,567,238,000	4,738,297,000	4,932,539,000	
2016 Session Bills					
	Type	FY2015-16	FY2016-17	FY2017-18	FY2018-19
LB 756 Terminate the Nebraska long-term care savings plan	Ind	0	0	0	31,000
LB 774 Multiple sales tax exemption, income tax credits	Sales	0	(1,524,000)	(2,387,000)	(2,478,000)
LB 774 Multiple sales tax exemption, income tax credits	Ind	0	0	(190,000)	(191,000)
LB 803 Change disposition of court docket fees	Misc	0	(60,000)	(120,000)	(120,000)
LB 837 Premium taxes, Surplus Lines Insurance Act	Misc	0	(16,000)	(32,000)	(32,000)
LB 884 Sales tax turnback, Affordable Housing Tax Credit Act	Sales	0	(1,365,000)	(3,343,000)	(4,762,000)
LB 884 Sales tax turnback, Affordable Housing Tax Credit Act	Ind	0	0	0	(4,410,000)
LB 884 Sales tax turnback, Affordable Housing Tax Credit Act	Corp	0	0	0	0
LB 886 Volunteer Emergency Responders Incentive Act	Ind	0	0	(2,188,000)	(2,242,000)
LB 889 School Readiness Tax Credit Act	Ind	0	0	(945,000)	(1,668,000)
LB 958 Changes, ag land valuation for Property Tax Credit	--	0		transfer-out	transfer-out
LB 1083 Next Generation Business Growth Act	Ind	0	75,000	0	0
Cash Fund Transfers-In (LB 956)	Misc	8,000,000	8,000,000	0	0
Total 2016 Session Revenue Bills		8,000,000	5,110,000	(9,205,000)	(15,872,000)
Withholding tax change (indexing)	Ind	0	(12,872,000)	0	0
Total Adjustments to Feb 2016 NEFAB Forecast		8,000,000	(7,762,000)	(9,205,000)	(15,872,000)