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LB 206

Revision: 01

Revised Per Updated Agency Response on 02/03/2023

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 206 allows a partnership to elect to file an amended Nebraska income tax return at the top individual tax rate as if the partnership were an individual.

Partners are not required to file amended Nebraska income tax returns when the election is made and the taxes paid by the partnership. Partners are also not required to pay Nebraska income tax, penalties, or interest arising as a result of the amended return and the basis, and other tax items in the hands of the partners, will be determined as if the election had not been made and in a similar manner as set forth for federal income tax purposes.

LB 206 carries an emergency clause.

The Department of Revenue (DOR) originally estimated on January 20, 2023 that LB 206 would require an additional 0.5 FTE of Revenue Operations Clerk II to process the amended returns for partnerships as a result of passing this bill. However, in its updated response on February 3, 2023, the DOR has eliminated the expenditures estimated for a Revenue Operations Clerk II as the DOR believes the savings from this bill, because of the elimination of data entry to individual amended returns, will offset the noted additional costs. Due to this offset, the DOR estimates LB 206 will have a minimal fiscal impact. There is no basis to disagree with this estimate.

