

Revised per updated financial forecast

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2024-25		FY 2025-26	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		\$12,237,000		\$7,621,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		\$12,237,000		\$7,621,000

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

This fiscal note has been updated per the updated financial status from the Economic Forecasting Board February meeting. The financial status now accounts for the deduction under the Federal Employees Retirement System (FERS), as detailed in the bill.

LB 863 would remove the income tax adjustment for individuals to reduce federal adjusted gross income by amounts received as annuities under the FERS for taxable years beginning on or after January 1, 2024.

The Department of Revenue (DOR) in its updated response estimates the following increase to General Fund revenues as a result of this bill:

- FY 24-25: \$12,237,000
- FY 25-26: \$7,621,000
- FY 26-27: \$6,690,000
- FY 27-28: 6,283,000

The DOR estimates no cost to it as a result of the bill.

There is no basis to disagree with these estimates.

