

PREPARED BY: Doug Gibbs
 DATE PREPARED: February 01, 2011
 PHONE: 471-0051

LB 672

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS		(\$250,000)		(\$655,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$250,000)		(\$655,000)

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

LB 672 amends Nebraska Revised Statutes Section 76-902, dealing with exemptions to the documentary stamp tax, to add deeds between siblings and deeds between nonprofit organizations to those deeds exempt from the tax when there is no actual consideration exchanged. The exemptions would become effective January 1, 2012.

The Documentary Stamp Tax rate is \$2.25 per \$1000 of value. The \$2.25 is divided as follows:

- The county register of deeds retains \$0.50 as a collection fee which goes to the county general fund;
- The Affordable Housing Trust Fund receives \$1.20;
- The Homeless Shelter Trust Fund receives \$0.25;
- The Behavioral Health Services Fund receives \$0.30.

The Department of Revenue estimates the following fiscal impact of LB 672:

	<u>Total Impact</u>	<u>Affordable Housing</u>	<u>Behavioral Health</u>	<u>Homeless Shelter</u>
FY11-12:	(\$ 250,000)	(\$ 172,000)	(\$ 43,000)	(\$ 36,000)
FY12-13:	(\$ 655,000)	(\$ 449,000)	(\$ 112,000)	(\$ 94,000)
FY13-14:	(\$ 713,000)	(\$ 489,000)	(\$ 122,000)	(\$ 102,000)
FY14-15	(\$ 777,000)	(\$ 533,000)	(\$ 133,000)	(\$ 111,000)

Based on the assumptions used by the Department, that the new exemptions would have the same impact as the average impact of the current exemptions, the estimate of fiscal impact appears reasonable and there is no basis to disagree with the Department.

There is no cost to the Department of Revenue to implement LB 672.

IMPACT TO POLITICAL SUBDIVISIONS:

The Department of Revenue estimates the following impact to the county collection fee:

FY11-12:	(\$ 72,000)
FY12-13:	(\$ 174,000)
FY13-14:	(\$ 187,000)
FY14-15:	(\$ 204,000)

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE 2/2/11	PHONE 471-2526
COMMENTS			
No basis upon which to disagree with agencies' comments as no records are available to DED or the REVENUE DEPT. relative to the frequency of each of the different forms of transactions.			

