

7/10/12

PREPARED BY: Doug Gibbs
DATE PREPARED: February 13, 2012
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LB 986

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$ 6,988,000)		(\$ 10,180,227)
CASH FUNDS				(\$ 412,057)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$ 6,988,000)		(\$ 10,592,284)

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

LB 986 would exempt the sale of repairs and parts for agricultural machinery or equipment used in commercial agriculture from the sales or use tax. The bill has an operative date of October 1, 2012.

The bill would sunset the current sales and use tax refund for repairs or parts for agricultural machinery or equipment used in commercial agriculture on October 1, 2012. Purchases for which taxes were paid prior to that date would still be eligible for the refund.

The Department of Revenue estimates the following fiscal impact:

Fiscal Year:	General Fund:	State Highway Capital Improvement Fund:
FY2012-13:	(\$ 6,670,364)	\$ 0
FY2013-14:	(\$ 10,180,227)	(\$ 412,057)
FY2014-15:	(\$ 10,338,682)	(\$ 418,470)

The Department indicates the cost to implement the provisions of LB 986 to be minimal.

We agree with the Department's estimate of fiscal impact and cost.

IMPACT TO POLITICAL SUBDIVISIONS:

We estimate the following fiscal impact to the Highway Allocation Fund:

FY12-13:	\$ 0
FY13-14:	(\$ 72,716)
FY14-15:	(\$ 73,848)

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	2/15/12	PHONE 471-2526
COMMENTS			
DEPT. OF REVENUE – No basis upon which to disagree.			

