

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$ 6,738	\$ 29,875,000		\$ 31,368,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$ 6,738</b>	<b>\$ 29,875,000</b>		<b>\$ 31,368,000</b>

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

LB 626 would outright repeal Sections 77-2715.08 and 77-2715.09 of the Nebraska Revenue Act of 1967.

These sections refer to the capital gains or extraordinary dividends earned exclusion from state income tax for capital stock acquired as a result of or during employment.

The bill would become operative for taxable years beginning on or after January 1, 2013.

The Department of Revenue estimates the following fiscal impact to the General Fund as a result of LB 626:

FY2013-14:	\$ 29,875,000
FY2014-15:	\$ 31,368,000
FY2015-16:	\$ 32,937,000
FY2016-17:	\$ 34,584,000

The Department indicates that LB 626 will require a one-time programming cost of \$6,738 paid to the Office of the CIO to eliminate a line on the 1040N Schedule I, as well as the NebFile online system.

There is no basis to disagree with either the Department of Revenue's estimate of fiscal impact or cost.

