

PREPARED BY: Doug Gibbs
 DATE PREPARED: February 14, 2014
 PHONE: 402-471-0051

LB 812

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2014-15		FY 2015-16	
	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 812 amends Nebraska Revised Statutes Sections 77-2001 and 77-2002 to eliminate the inheritance tax effective January 1, 2015.

There is no fiscal impact to the state as result of LB 812.

IMPACT TO POLITICAL SUBDIVISIONS:

The Nebraska Association of County Officials has indicated a potential loss of \$59,500,000 to counties statewide. In FY2011-12, counties collected \$56,400,000 from the inheritance tax.

There is no basis to disagree with the County Officials estimate of fiscal impact.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 812	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 2/18/2014	PHONE: 402.471.4181
COMMENTS: Concur. No fiscal impact on the Department of Revenue.			

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 812	AM:	AGENCY/POLT. SUB: NE Assoc. of County Officials (NACO)	
REVIEWED BY: Lyn Heaton		DATE: 2/13/2014	PHONE: 402.471.4181
COMMENTS: No basis to disagree with the NACO analysis of the fully annualized impact of the bill, though the first year impact may be less as a result of collection from estates of decedents dying in the final months prior to the termination of the inheritance tax.			

Please complete ALL (5) blanks in the first three lines.

2014

LB⁽¹⁾ 812

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Nebraska Association of County Officials (NACO)

Prepared by: ⁽³⁾ Elaine Menzel

Date Prepared: ⁽⁴⁾ 1/16/2014

Phone: ⁽⁵⁾ 402.434.5660,
ext 225

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2014-15</u>		<u>FY 2015-16</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	(59,600,000)
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>(59,600,000)</u>

Explanation of Estimate:

LB 812 would terminate the collection of inheritance taxes as of January 1, 2015. The potential fiscal impact would be a loss of around \$59,500,000. This figure was obtained from survey results of all counties for the amount on inheritance taxes collected in FY 2012/2013. In FY 2011/2012, counties collected \$56,400,000 for inheritance tax.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2014-15 EXPENDITURES</u>	<u>2015-16 EXPENDITURES</u>
	<u>14-15</u>	<u>15-16</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____