

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	\$57,088	\$15,411,000		\$37,816,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$57,088	\$15,411,000		\$37,816,000

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

LB 1056 amends the Nebraska Revenue Act of 1967 Section 77-2715.03 to change the individual income tax brackets.

For taxable years beginning January 1, 2015 and thereafter, the bill would change tax brackets 3 and 4 and add a new tax bracket 5 as follows:

Bracket Number:	Single Individuals:	Married, Filing Jointly:	Head of Household:	Married, Filing Separate:	Estates and Trusts:	Tax Rate:
3	\$18,000 - \$37,499	\$36,000 - \$74,999	\$28,800 - \$56,249	\$18,000 - \$37,499	\$4,700 - \$15,149	5.01%
4	\$37,500 - \$74,999	\$75,000 - \$149,999	\$56,250 - \$112,499	\$37,500 - \$74,999	\$15,150 – and over	6.84%
5	\$75,000 – and over	\$150,000 – and over	\$112,500 – and over	\$75,000 – and over		7.84%

Tax bracket 1 and 2 would remain unchanged from the taxable year beginning January 1, 2014 and before January 1, 2015.

The Department of Revenue estimates the following fiscal impact to the General Fund:

FY2014-15:	\$ 15,411,000
FY2015-16:	\$ 37,816,000
FY2016-17:	\$ 39,808,000
FY2017-18:	\$ 41,884,000

The Department of Revenue indicates they will incur a one-time programming charge of \$57,088 paid to the office of the CIO for mainframe and web development costs.

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

