

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$94,365	\$0	\$0	(\$11,599,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$94,365	\$0	\$0	(\$11,599,000)

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

LB 255 amends the Nebraska Revenue Act of 1967 to provide for a nonrefundable income tax credit for wages paid to an apprentice as part of a qualified apprenticeship training program.

The tax credit is to be in an amount that is equal to one dollar multiplied by the number of hours worked by an apprentice as part of a qualified apprenticeship program during the taxable year for which the credit is claimed. The credit may not exceed the lesser of a) \$2,000 or b) 50% of the total wages paid to the apprentice during the taxable year.

A qualified apprenticeship program is one that is: a) administered according to 29 U.S.C. 50; b) consists of at least 1,200 hours but no more than 6,000 hours of on-the-job apprenticeship; c) is certified in accordance with regulations adopted by the U.S. Bureau of Apprenticeship and Training; and d) is jointly administered by labor and management trustees.

The Department of Revenue estimates the fiscal impact of LB 255 as follows:

FY2015-16:	\$	0
FY2016-17:	(\$	11,599,000)
FY2017-18:	(\$	12,810,000)

The Department indicates that LB 255 would require a one-time programming charge of \$94,365 paid to the Office of the CIO to add one or more lines to the Form 1040N and to the NebFile system, one or more lines to the Form 1041N, and one or more lines to the Form 1120N.

We have no basis to disagree with the Department of Revenue's estimate of fiscal impact and cost.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 255	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 2/2/2015	PHONE: 471-4181
COMMENTS: No basis upon which to disagree with the Department's analysis.			

