

PREPARED BY: Doug Gibbs  
 DATE PREPARED: February 09, 2016  
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**LB 949**

Revision: 00

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2016-17</b>		<b>FY 2017-18</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$475,000)		(\$607,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$475,000)		(\$607,000)

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

LB 949 amends Nebraska Revised Statutes Section 77-2608 dealing with cigarette stamps.

The bill changes the discount retained by stamping agents as a commission for affixing and canceling cigarette stamps from the current rate of one and eighty-five hundredths of a percent of face value to a new rate of three percent.

The bill has an operative date of October 1, 2016.

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

FY2016-17: (\$ 475,000)  
 FY2017-18: (\$ 607,000)  
 FY2018-19: (\$ 588,000)

The Department indicates that the cost to implement the provisions of LB 949 will be minimal.

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

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: 949	AM:	AGENCY/POLT. SUB: Dept. of Revenue	
REVIEWED BY: Lyn Heaton		DATE: 2/10/2016	PHONE: 471-4181
COMMENTS: No basis upon which to disagree with the Department of Revenue's analysis.			

State Agency Estimate

State Agency Name: Department of Revenue Date Due LFA: 2/9/2016
Approved by: Tony Fulton Date Prepared: 2/8/2016 Phone: 471-5896

Table with 3 main columns for fiscal years: FY 2016-2017, FY 2017-2018, and FY 2018-2019. Each column has sub-columns for Expenditures and Revenue. Rows include General Funds, Cash Funds, Federal Funds, Other Funds, and Total Funds.

LB 949 amends Neb. Rev. Stat. § 77-2608 to increase the discount percentage from one and eighty-five hundredths percent to three percent of the face value of a cigarette stamp tax as a commission for affixing and canceling such stamps for both in-state and out-of-state stamping agents. If enacted, LB 949 would become operative on October 1, 2016.

LB 949 would reduce revenue to the General Fund by the following amounts:

- FY 2016-17: \$475,000
FY 2017-18: \$607,000
FY 2018-19: \$588,000

Departmental cost to implement the bill is expected to be minimal.

Major Objects of Expenditure

Table with 8 columns: Class Code, Classification Title, 16-17 FTE, 17-18 FTE, 18-19 FTE, 16-17 Expenditures, 17-18 Expenditures, 18-19 Expenditures. Rows include Benefits, Operating Costs, Travel, Capital Outlay, Aid, Capital Improvements, and Total.