

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	44,500	(235,000)		(254,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	44,500	(235,000)		(254,000)

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 783 provides for a refundable income tax credit equal to \$500 per individual for each child adopted after January 1, 2008. The bill requires that the credit be deposited in a college savings account for the child, for which the taxpayer will receive an income adjustment for the amount contributed.

Because refundable credits are used to pay tax liability balances when withholdings or estimates fall short of liability, the possibility exists for the entirety of the credit to be applied towards tax liability and not deposited into a college savings plan account in some instances.

The Department of Revenue estimates the following General Fund revenue impact:

<u>Fiscal Year</u>	<u>Revenue</u>
2008-09	(235,000)
2009-10	(254,000)
2010-11	(263,000)
2011-12	(272,000)

The Department of Revenue estimates \$44,500 in one time programming expenses.

IMPACT ON POLITICAL SUBDIVISIONS: This bill does not appear to have a material fiscal impact on political subdivisions.