

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(10,080,000)		(10,330,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(10,080,000)		(10,330,000)

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

LB 770 allows for exclusion of military retirement benefits in computing federal adjusted gross income for tax years beginning on or after January 1, 2008. The exclusionary income shall not exceed forty-eight thousand dollars per married filing jointly if both spouses are receiving military retirement benefits or twenty-four thousand dollars for any other return.

The Department of Revenue estimates the General Fund revenue loss due to lower federal adjusted gross income to be as follows. There is no basis to disagree with these estimates. The Department of Revenue also estimates one-time system upgrade costs of \$9,000. Due to the small nature of this amount, it is assumed that the Department will be able to address this cost with currently budgeted resources.

Fiscal Year	General Fund Revenue Loss
FY2008-09	(\$10,080,000)
FY2009-10	(\$10,330,000)
FY2010-11	(\$10,588,000)