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**LB 1037**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *</b>				
	<b>FY 2008-09</b>		<b>FY 2009-10</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS		See Below		See Below
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		See Below		See Below

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

LB 1037 changes the rate of income tax levied for taxable years beginning on or after January 1, 2009. The current rate is three and seventy-hundredths percent. The new rate is not provided in LB 1037.

It is assumed that the bill will be amended to include a revised rate. Once the bill is amended and advanced, a revised fiscal note will be produced to estimate the bill's fiscal impact.

Similarly, LB 1037 attempts to adjust the state sales tax rate. The current rate is five and one-half percent. Under the bill's provisions, a new rate would be levied beginning January 1, 2009. Again, the bill does not specify the revised rate. Once the bill is amended and advanced, a revised fiscal note will be produced to estimate the bill's fiscal impact.