

Revised to include agency response.

**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		(69,154,000)		(72,889,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		(69,154,000)		(72,889,000)

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

LB 1140 allows for reduction of federal adjusted gross income by the amount of benefits received under the federal Social Security Act. In addition, the amount received as a retirement benefits for government employees is similarly an allowable reduction to federal adjusted gross income.

For the tax year beginning January 1, 2008 and ending December 31, 2008 returns for married filing jointly are allowed a reduction of up to thirty thousand dollars if both spouses received such income. For all other returns, the limit is fifteen thousand dollars.

For tax years beginning on January 1, 2009 and ending December 31, 2009, the respective limits are raised to sixty thousand dollars and thirty thousand dollars.

For tax years beginning January 1, 2010 and ending December 31, 2010, the respective limits are raised to ninety thousand dollars and forth-five thousand dollars.

For tax years beginning January 1, 2011 and ending December 31, 2011, the respective limits are raised to one hundred twenty thousand dollars and sixty thousand dollars.

For tax years beginning on or after January 1, 2012 the respective limits are raised to one hundred fifty thousand dollars and seventy-five thousand dollars.

The Department of Revenue estimates the General Fund revenue loss to be as follows. There is no basis to disagree with these estimates.

Fiscal Year	General Fund Revenue Loss
FY2008-09	(\$69,154,000)
FY2009-10	(\$72,889,000)
FY2010-11	(\$77,227,000)
FY2011-12	(\$82,093,000)
FY2012-13	(\$86,854,000)