

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

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2020-21</b>		<b>FY 2021-22</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 1087 requires county treasurers to accept partial payments for current or delinquent real property taxes, personal property taxes, or both, or any charges for interest, publication, penalties, or other charges, and hold such payments in escrow.

This bill is estimated to have no fiscal impact to the state. The Department of Revenue estimates no impact to General Fund revenue and no cost to implement the bill.

The Nebraska Association of County Officials (NACO) estimates some additional costs associated with banking costs, software updates, and additional staff time in counties that do not currently accept partial payments. NACO's response indicates at least 32 counties do not currently accept partial payments.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 1087	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Lee Will	DATE: 02/17/2020	PHONE: (402) 471-4175	
COMMENTS: Concur with the Department of Revenue's assessment of no fiscal impact.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 1087	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)	
REVIEWED BY: Lee Will	DATE: 01/27/2020	PHONE: (402) 471-4175	
COMMENTS: No basis to disagree with NACO's assessment of increased costs for additional staffing and software changes associated with the allowance of partial tax payments or charges.			



Please complete ALL (5) blanks in the first three lines.

**2020**

**LB<sup>(1)</sup> 1087**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Association of County Officials (NACO)

Prepared by: <sup>(3)</sup> Elaine Menzel Date Prepared: <sup>(4)</sup> 1/23/2020 Phone: <sup>(5)</sup> 402.434.5660

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Explanation of Estimate:**

LB 1087 would mandate county treasurers to accept partial payments for the discharge of current or delinquent real property taxes, personal property taxes, or both or any charges for interest, publication, penalties, or other charges and must hold for payments in escrow. Potential banking costs associated with increased deposit items or additional bank account set up for escrow accounts may be incurred by counties.

A mandate such as this would require treasurers that do not already accept partial payments to set up or modify current software systems for tracking tax payments. Additionally, it would require additional staff time of the treasurer to track partial payments, receipting and reconciliation of escrow accounts. The number of taxpayers that would use this option is unknown

In a survey of the 93 counties, 65 county treasurers responded or approximately 70 percent of the counties. Of the respondents, 28 counties do not currently accept partial payments of current real property taxes, 32 counties do not accept partial payments; therefore, LB 1087 would require those counties that currently do not accept partial payments for real or personal property,

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>