

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2021-22</b>		<b>FY 2022-23</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$7,332,000)		
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$7,332,000)		

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

LB 524 seeks to amend the refundable income tax credit available under the Nebraska Property Tax Incentive Act. Under LB 524, for the purposes of calculating the credit during calendar year 2020, any 2019 school district taxes paid levied and paid during calendar 2019 shall be deemed to have been paid in calendar year 2020.

The Department of Revenue estimates a General Fund revenue loss of \$7,332,000 in FY21-22. This is based on the assumptions that the property tax credit rate remains at 6% for 2020, 5.5% of property taxes levied in 2019 were paid, and that taxpayers will file amended 2020 income tax returns if LB 524 is enacted. These assumptions appear reasonable, and as such there is no basis to disagree with the estimate provided by the Department.

The Department of Revenue estimates no extra costs to implement LB 524. There is no basis to disagree with this estimate.

The Nebraska Association of County Officials (NACO) estimates no fiscal impact to counties as a result of LB 524. There is no basis to disagree with this estimate.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 524	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Lee Will	DATE: 02/12/2021	PHONE: (402) 471-4175	
COMMENTS: No basis to disagree with the Department of Revenue's assessment of reduced General Fund revenue related to the provision that any 2019 school district taxes levied and paid in calendar year 2019 are deemed to be paid in calendar year 2020.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 524	AM:	AGENCY/POLT. SUB: Nebraska Association of County Officials (NACO)	
REVIEWED BY: Lee Will	DATE: 02/12/2021	PHONE: (402) 471-4175	
COMMENTS: Concur with NACO's assessment of no fiscal impact to the counties.			



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

**2021**

**LB<sup>(1)</sup> 524**

**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> 1/21/2021 Phone: <sup>(5)</sup> 402.434.5660

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

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB524 would clarify which property taxes paid would be eligible for the credit authorized by Laws 2020, LB1107. NACO estimates there would be no fiscal impact to counties.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____