

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$37,000)		(\$60,000)
CASH FUNDS		(\$1,000)		(\$2,000)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS		(\$38,000)		(\$62,000)

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

LB 1097 seeks to amend sales and use tax to specifically exclude gross income from towing performed to repossess a motor vehicle from gross receipts. The operative date is October 1, 2022.

The Department of Revenue estimates the impact as follows:

	General Fund	State Highway Capital Improvement Fund	Highway Allocation Fund
FY22-23	(\$37,000)	(\$1,000)	-
FY23-24	(\$60,000)	(\$2,000)	-
FY24-25	(\$63,000)	(\$3,000)	-
FY25-26	(\$67,000)	(\$3,000)	-
FY26-27	(\$71,000)	(\$3,000)	(\$1,000)

There will be a revenue loss to the State Highway Capital Improvement Fund and the Highway Allocation Fund, which is distributed to cities and counties.

The department estimates minimal costs to implement the bill. There is no basis to disagree with these estimates.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1097	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Neil Sullivan	DATE: 2/22/2022	PHONE: (402) 471-4179	
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 1097 appears reasonable.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 1097	AM:	AGENCY/POLT. SUB: Department of Transportation	
REVIEWED BY: Neil Sullivan	DATE: 2/23/2022	PHONE: (402) 471-4179	
COMMENTS: The Department of Transportation assessment of minimal fiscal impact from LB 1097 appears reasonable.			

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

2022

LB⁽¹⁾ 1097

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Transportation

Prepared by: ⁽³⁾ Jenessa Boynton Date Prepared: ⁽⁴⁾ 2/17/2022 Phone: ⁽⁵⁾ 402-479-4691

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2022-23</u>		<u>FY 2023-24</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:

LB 1097 proposes to redefine gross receipts to exclude gross income received from motor vehicle towing in connection with the repossession of a motor vehicle. The operative date is October 1, 2022.

According to the Department of Revenue, the change in the sales tax base will result in a minimal decrease in revenues to the Build Nebraska Act funds, the State Highway Capital Improvement Fund for NDOT and the Highway Allocation Fund for cities and counties.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2022-23</u>	<u>2023-24</u>
	<u>22-23</u>	<u>23-24</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____