

PREPARED BY: John Wiemer
 DATE PREPARED: March 13, 2023
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LB 185

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2023-24		FY 2024-25	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$500,000,000	\$19,800,000		\$2,200,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$500,000,000	\$19,800,000		\$2,200,000

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

LB 185 seeks to send checks directly to qualified individuals during FY23-24. A qualified individual would be any resident individual who filed an individual income tax return in this state for tax year 2022 and any person claimed as a dependent on a resident individual's income tax return for tax year 2022. Each qualified individual would receive an amount equal to \$500 million, less the administrative costs incurred by the Department of Revenue (DOR) for this task, divided by the total number of qualified individuals.

The DOR estimates a one-time cost of \$500 million as a result of this bill. Administrative costs for the DOR, included in the \$500 million, would be a one-time expense of \$43,724 to be paid to the Office of the Chief Information Officer (OCIO). Additionally, \$659,025 is estimated to be needed for temporary employees for taxpayer assistance and processing as well as postage expenses.

The DOR estimates that the taxable income generated from the distributions to taxpayers would result in an overall General Fund revenue increase of \$22 million spread out over two fiscal years.

There is no basis to disagree with these estimates by DOR.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 185	AM:	AGENCY/POLT. SUB: Department of Revenue
REVIEWED BY: Neil Sullivan	DATE: 3/13/2023	PHONE: (402) 471-4179
COMMENTS: No basis to disagree with the Department of Revenue assessment of fiscal impact from LB 185.		

