

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				(\$2,000,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				(\$2,000,000)

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

LB 118 seeks to make changes to the Nebraska Advantage Rural Development Act (Act). The fee for applications filed for an agreement with the Tax Commissioner would be changed from the current \$500 fee. LB 118 would make the application fee the following:

- \$100 for an investment amount of less than \$25,000
- \$250 for an investment amount of at least \$25,000 but less than \$50,000
- \$500 for an investment amount of \$50,000 or more

LB 118 also seeks to change requirements for the refundable credit in the Act so that the credit would be allowed to any taxpayer who has an approved application pursuant to the Act, is engaged in livestock production, and invests at least \$50,000 for livestock modernization or expansion for applications filed before January 1, 2024, or at least \$10,000 for livestock modernization or expansion for applications filed on or after January 1, 2024.

The Department of Revenue (DOR) estimates the following fiscal impact to General Fund revenues as a result of this bill:

- FY23-24: \$0
- FY24-25: (\$2,000,000)
- FY25-26: (\$3,000,000)
- FY26-27: (\$3,400,000)

The DOR estimates that there will be minimal cost to it to implement the bill.

There is no basis to disagree with these estimates.

The fiscal impact from changes in application fees is estimated to be minimal.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 118	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 118.		

