

PREPARED BY: John Wiemer
 DATE PREPARED: February 13, 2023
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LB 416

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				(\$5,891,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				(\$5,891,000)

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

LB 416 seeks to make changes to the income of nonresident individuals. The bill replaces current language so that nonresident individuals' income includes when the individual's service is performed without this state for his or her convenience, but the service is directly related to a business, trade, or profession carried on within this state and, except for the individual's convenience, the service could have been performed within this state, provided that such individual must be present, in connection with such business, trade, or profession, within this state for more than 30 days during the taxable year in which the compensation is earned. These changes would become operative starting for taxable year 2024.

The Department of Revenue (DOR) estimates the following reduction to General Fund revenues from this bill:

- FY 23-24: \$ -
- FY 24-25: \$5,891,000
- FY 25-26: \$5,832,000
- FY 26-27: \$5,774,000

The DOR estimates no costs for it 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: 416	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Neil Sullivan	DATE: 2/10/2023	PHONE: (402) 471-4179	
COMMENTS: The Department of Revenue assessment of fiscal impact from LB 416 appears reasonable.			

