

PREPARED BY: Doug Gibbs
 DATE PREPARED: January 30, 2009
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LB 69

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$0	(\$2,006,000)	\$0	(\$4,228,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$0	(\$2,006,000)	\$0	(\$4,228,000)

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 69 would provide for an exemption of income received as a military retirement benefit resulting from service in the armed forces of the United States from federal adjusted gross income. The bill phases in the exemption at 10% per year beginning in tax year 2009 reaching a 100% exclusion in tax year 2018 and continuing thereafter at 100%.

The Department of Revenue estimates the bill will have the following impact on the General Fund:

FY2009-10:	(\$2,006,000)
FY2010-11:	(\$4,228,000)
FY2011-12:	(\$6,689,000)
FY2012-13:	(\$9,378,000)

It is estimated by the Department that the cost to implement LB 69 would be minimal.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact.

IMPACT TO POLITICAL SUBDIVISIONS:

The bill does not appear to have a material fiscal impact on political subdivisions.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE 2/3/09	PHONE 471-2526
COMMENTS			
DEPARTMENT OF REVENUE: No basis upon which to disagree.			