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LB 459

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	17,000	(2,424,000)	14,000	(2,584,000)
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	17,000	(2,424,000)	14,000	(2,584,000)

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

LB 459 provides for a deduction from federal adjusted gross income for interest paid on education loans by Nebraska residents. The deduction would be equal to the amount currently allowed on the federal return under 26 U.S.C. 221. This bill has an effective date of January 1, 2007

The Department of Revenue estimates implementation costs of \$17,000 in FY08 and \$14,000 in FY09. Primary expenses include programming and data entry.

Based on the amount currently deducted at the federal level, the following revenue impact is estimated:

<u>Fiscal Year</u>	<u>Revenue</u>
2007-08	(2,424,000)
2008-09	(2,584,000)
2009-10	(2,745,000)
2010-11	(2,912,000)

IMPACT ON POLITICAL SUBDIVISIONS: This bill does not appear to have a material fiscal impact on political subdivisions.