

PREPARED BY: David Rippe
 DATE PREPARED: February 28, 2007
 PHONE: 471-0051

LB 496

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				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

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

LB 496 allows Nebraska residents a one time election to subtract from federal adjusted gross income the extra ordinary dividends paid on capital stock of a certain corporation. The bill defines extra ordinary dividends, and has an operative date of January 1, 2007.

Due to the rarity of extra ordinary dividend payments, the effect they have on the value of the stock, and the current allowance for subtraction of a one time capital gain, it is estimated that the fiscal impact associated with this bill will be immaterial.

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

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	2/28/07	PHONE	471-2526
COMMENTS					
DEPT. OF REVENUE – No basis upon which to disagree.					