

## LB 719A FISCAL NOTE

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FUND	EXPENDITURE	REVENUE
General	\$74,599	\$2,180,000
Cash		
Federal		
Revolving		
TOTAL 1992-93	\$74,599	\$2,180,000
TOTAL 1993-94	\$63,892	\$2,180,000

LB 719A is a substantive bill that makes numerous E & R amendments to LB 1063, several substantive amendments to LB 1063, implements an increase in the corporation occupation tax and amends two other bills into LB 719A.

The only provisions that have a fiscal impact to the state are the change in occupation tax rates and the development of an economic sector tax analysis. The occupation tax rates are increased for 1993 and 1994 by the following amounts based on paid up capital stock:

Paid up Capital Stock	Tax Increase
\$0 to \$100,000	\$30
\$100,000 to \$325,000	\$60
\$325,000 to \$1,000,000	\$90
Over \$1,000,000	\$120

The increased rates are doubled for foreign corporations.

The increased tax rates may generate \$2,180,000 each fiscal year.

LB 897 was amended into LB 719A. LB 897 requires the Department of Revenue to conduct and prepare an economic sector legal tax incidence study. The Department requests two people to research and prepare the report. The associated expenses are indicated in the boxes above.