

LB 401 FISCAL NOTE

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February 3, 1997

	FY 1997-98		FY 1998-99	
	Expenditures	Revenue	Expenditures	Revenue
GENERAL	see below	(\$64,618,000)	see below	(\$53,307,000)
CASH				
FEDERAL				
OTHER				
TOTAL	\$0	(\$64,618,000)	\$0	(\$53,307,000)

This bill makes changes to income tax calculations and changes funding allocations for schools.

This bill will result in a reduction of state General Fund income tax revenues and is estimated as follows:

	FY1997-96	FY1998-99
Legislative Fiscal Office	(63,323,000)	(52,989,000)
Department of Revenue	(65,913,000)	(53,625,000)
Average	(64,618,000)	(53,307,000)

The Department of Education estimates no implementation costs and the Department of Revenue estimates minimal implementation costs.

Impact on Local Subdivisions: It has been the Legislature's intent that all revenue associated with the change in the Income tax rate by the enactment of LB 1059, 1990, be dedicated to the Tax Equity and Educational Opportunity Act (state aid to schools). Therefore, using the same methodology of arriving at an appropriation figure, this bill could reduce the total amount calculated to be available as state aid to schools under LB 1059 by an estimated \$9.6 million in FY1997-98 and \$7.9 million in FY1998-99.

DEPARTMENT OF EDUCATION: No fiscal impact to the Department of Education.
DEPARTMENT OF REVENUE: Concur with Department of Revenue analysis.