

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2024-25</b>		<b>FY 2025-26</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 1049 reduces the maximum occupation tax on the sale of telecommunications services from 6.25% to 4% beginning October 1, 2024.

The City of Omaha estimates revenue losses of (\$521,785) in FY25 and (\$2,044,545) per year thereafter.

The City of Lincoln estimates revenue losses of (\$875,000) in FY25 and (\$1,025,000) per year thereafter.

Any other political subdivision that receives occupation tax dollars on the sale of telecommunications services will face revenue losses. The degree to which revenue losses are experienced will be dependent on the dollars of sales in such jurisdiction.

There is no fiscal impact to the state.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 1049	AM:	AGENCY/POLT. SUB: Department of Revenue	
REVIEWED BY: Joe Massey	DATE: 1/29/2024	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Department of Revenue's assessment of fiscal impact from LB 1049.			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 1049	AM:	AGENCY/POLT. SUB: Nebraska Public Service Commission	
REVIEWED BY: Joe Massey	DATE: 1/12/2024	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the Nebraska Public Service Commission's assessment of no fiscal impact from LB 1049			

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 1049	AM:	AGENCY/POLT. SUB: City of Omaha	
REVIEWED BY: Joe Massey	DATE: 1/17/2024	PHONE: (402) 471-4181	
COMMENTS: No basis to disagree with the City of Omaha's assessment of fiscal impact from LB 1049.			

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE

LB: 1049      AM:      AGENCY/POLT. SUB: City of Lincoln

REVIEWED BY: Joe Massey      DATE: 1/29/2024      PHONE: (402) 471-4181

COMMENTS: No basis to disagree with the City of Lincoln's assessment of fiscal impact from LB 1049.

Please complete ALL (5) blanks in the first three lines.

**2024**

**LB<sup>(1)</sup> 1049**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> City of Omaha

Prepared by: <sup>(3)</sup> Jeff Roh Date Prepared: <sup>(4)</sup> 1-16-24 Phone: <sup>(5)</sup> 402-444-5451

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	<u>(521,785)</u>	_____	<u>(2,044,545)</u>
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

This would lower revenue by \$521,785 for 2024 and \$2,044,545 for the full year of 2025.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

**2024**

**LB<sup>(1)</sup> 1049**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Public Service Commission

Prepared by: <sup>(3)</sup> Laurie Casados Date Prepared: <sup>(4)</sup> 1/11/2024 Phone: <sup>(5)</sup> 402-471-0252

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

LB1049 has no fiscal impact for the Public Service Commission.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____



Please complete ALL (5) blanks in the first three lines.

**2024**

**LB<sup>(1)</sup> 1049**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> City of Lincoln

Prepared by: <sup>(3)</sup> Tammy Wissing Date Prepared: <sup>(4)</sup> 1/24/24 Phone: <sup>(5)</sup> 402 441-8304

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2024-25</u>		<u>FY 2025-26</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS		-875,000		-1,025,000
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>		<b>-875,000</b>		<b>-1,025,000</b>

**Explanation of Estimate:**

The bill reduces the maximum telecommunication occupation tax rate that a municipality may collect from 6.25% to 4%. The rate currently assessed by the City of Lincoln is 6%. Based on telecommunications occupation tax revenues for the City's FY 2022-23, it is estimated that the bill will reduce the City's general fund revenues by \$875,000 in FY 2024-25 and by \$1,025,000 in FY 2025-26.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2024-25</u>	<u>2025-26</u>
	<u>24-25</u>	<u>25-26</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>				