

AMENDMENTS TO LB1356

Introduced by Revenue.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 13-201, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 13-201 Sections 13-201 to 13-208 shall be known and may be cited as
6 the Creating High Impact Economic Futures Community—Development
7 Assistance Act and may also be referred to as the CHIEF Act.

8 Sec. 2. Section 13-203, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 13-203 For purposes of the Creating High Impact Economic Futures
11 Community—Development—Assistance Act, unless the context otherwise
12 requires:

13 (1) Accelerator program means a program that (a) provides education
14 and mentorship lasting no more than twenty-four months for early-stage
15 technology companies that have been recruited to a location in this state
16 and (b) has a defined curriculum and mentorship component designed to
17 accelerate a technology company's development and growth;

18 (2) Agribusiness or agricultural business entity means any person,
19 partnership, limited partnership, corporation, limited liability company,
20 or other entity engaged in a business that processes raw agricultural
21 products, including, but not limited to, corn, or that provides value-
22 added functions with regard to raw agricultural products;

23 (3) Area of chronic economic distress means an area of the state
24 which meets any of the following conditions:

25 (a) An unemployment rate which exceeds the statewide average
26 unemployment rate;

27 (b) A per capita income below the statewide average per capita

1 income; or

2 (c) A population loss between the two most recent federal decennial
3 censuses;

4 (4) (1) Business firm means shall mean any business entity,
5 including a corporation, a fiduciary, a sole proprietorship, a
6 partnership, a limited liability company, a corporation having an
7 election in effect under Chapter 1, subchapter S of the Internal Revenue
8 Code, as defined in section 49-801.01, subject to the state income tax
9 imposed by section 77-2715 or 77-2734.02, an insurance company paying
10 premium or related retaliatory taxes in this state pursuant to section
11 44-150 or 77-908, or a financial institution paying the tax imposed
12 pursuant to sections 77-3801 to 77-3807;

13 (5) Community betterment organization means any:

14 (a) Organization performing eligible activities in a community
15 development area and to which contributions are tax deductible under the
16 provisions of the Internal Revenue Service of the United States
17 Department of the Treasury;

18 (b) County, city, or village performing eligible activities;

19 (c) Inland port authority created pursuant to the Municipal Inland
20 Port Authority Act;

21 (d) Agribusiness or agricultural business entity; or

22 (e) Organization designated as an iHub under the Nebraska Innovation
23 Hub Act in a community development area;

24 ~~(2) Community services shall mean any type of the following in a~~
25 ~~community development area: (a) Employment training; (b) human services;~~
26 ~~(c) medical services; (d) physical facility and neighborhood development~~
27 ~~services; (e) recreational services or activities; (f) educational~~
28 ~~services; or (g) crime prevention activities, including, but not limited~~
29 ~~to, (i) the instruction of any individual in the community development~~
30 ~~area that enables him or her to acquire vocational skills, (ii)~~
31 ~~counseling and advice, (iii) emergency services, (iv) community, youth,~~

1 ~~day care, and senior citizen centers, (v) in-home services, (vi) home~~
2 ~~improvement services and programs, and (vii) any legal enterprise which~~
3 ~~aids in the prevention or reduction of crime;~~

4 ~~(3) Department shall mean the Department of Economic Development;~~

5 ~~(4) Director shall mean the Director of Economic Development;~~

6 ~~(6) (5) Community development area means shall mean any:~~

7 ~~(a) Village village, city, county, unincorporated area of a county,~~
8 ~~or census tract which has been designated by the department as an area of~~
9 ~~chronic economic distress;~~

10 ~~(b) Economic redevelopment area as defined in section 77-6906;~~

11 ~~(c) Enterprise zone designated pursuant to the Enterprise Zone Act;~~

12 ~~(d) Qualified census tract in Nebraska as defined in 26 U.S.C. 42(d)~~
13 ~~(5)(B)(ii)(I), as such section existed on January 1, 2024;~~

14 ~~(e) County with a population of less than ten thousand inhabitants;~~
15 ~~or~~

16 ~~(f) Inland port district created pursuant to the Municipal Inland~~
17 ~~Port Authority Act;~~

18 ~~(7) Department means the Department of Economic Development;~~

19 ~~(8) Eligible activities include: (a) Employment training; (b)~~
20 ~~operations of any inland port authority created under the Municipal~~
21 ~~Inland Port Authority Act; (c) medical services; (d) operation of an~~
22 ~~agribusiness or agricultural business entity; (e) recreational services~~
23 ~~or activities, including, but not limited to, operations for a sports~~
24 ~~complex or sports venue as defined in section 13-3102; (f) home~~
25 ~~improvement services and programs; (g) crime prevention activities,~~
26 ~~including, but not limited to, (i) mental health counseling and advice,~~
27 ~~(ii) community, youth, and senior citizen centers, and (iii) any legal~~
28 ~~enterprise which aids in the prevention or reduction of crime; (h)~~
29 ~~construction or operation of intermodal facilities or a shovel-ready site~~
30 ~~owned by the qualifying organization or by a city or village in this~~
31 ~~state; (i) creation or operation of an accelerator program for technology~~

1 companies; or (j) operations of an iHub. The activities described in
2 subdivisions (a), (d), (i), and (j) of this subdivision shall only be
3 considered eligible activities if the qualifying organization providing
4 the funding is an iHub;

5 (9) Inland port authority has the same meaning as in section
6 13-3303;

7 (10) Inland port district has the same meaning as in section
8 13-3303; and

9 (11) Innovation hub or iHub has the same meaning as in section
10 81-12,108.

11 ~~(6) Community assistance shall mean furnishing financial assistance,~~
12 ~~labor, material, or technical advice to aid in the physical improvement~~
13 ~~of any part or all of a community development area;~~

14 ~~(7) Community betterment organization shall mean (a) any~~
15 ~~organization performing community services or offering community~~
16 ~~assistance in a community development area and to which contributions are~~
17 ~~tax deductible under the provisions of the Internal Revenue Service of~~
18 ~~the United States Department of the Treasury and (b) a county, city, or~~
19 ~~village performing community services or offering community assistance in~~
20 ~~a community development area; and~~

21 ~~(8) Area of chronic economic distress shall mean an area of the~~
22 ~~state which meets any of the following conditions:~~

23 ~~(a) An unemployment rate which exceeds the statewide average~~
24 ~~unemployment rate;~~

25 ~~(b) A per capita income below the statewide average per capita~~
26 ~~income; or~~

27 ~~(c) A population loss between the two most recent federal decennial~~
28 ~~censuses.~~

29 Sec. 3. Section 13-204, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 13-204 Any community betterment organization which provides eligible

1 ~~activities~~ ~~community assistance or community services~~ in a community
2 development area may apply any time during the fiscal year to the
3 department to have one or more programs or projects certified for tax
4 credit status as provided in sections 13-205 to 13-208. The proposal
5 shall set forth the program or project to be conducted, the community
6 development area, the estimated amount to be required for completion of
7 the program or project or the annual estimated amount required for an
8 ongoing program or project, the plans for implementing the program or
9 project, and the amount of contributions committed or anticipated for
10 such activities or services.

11 Sec. 4. Section 13-205, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 13-205 (1) A proposal submitted to the department shall only
14 include all of the following:

15 (a) A description of the program or project to be conducted,
16 including the eligible activities that will be provided as a result of
17 the program or project;

18 (b) A description of the community development area, including the
19 geographical location and boundaries of the community development area;

20 (c) The estimated amount to be required for completion of the
21 program or project, including (i) a proposed budget for the program or
22 project with information on personnel and administrative overhead costs,
23 (ii) the amount of tax credits requested for the year of application, and
24 (iii) the amount of contributions pledged or anticipated from individuals
25 or business firms eligible for tax credits as well as other sources of
26 funding for the program or project;

27 (d) The annual estimated amount required for an ongoing program or
28 project, including a proposed annual budget with information on personnel
29 and administrative overhead costs, and the amount of tax credits
30 anticipated to be sought in future years;

31 (e) A description of the community betterment organization's plans

1 and capacity for implementing the program or project and continuing the
2 program or project;

3 (f) Documentation that the proposal is supported by the appropriate
4 subdivision of local government, including any letters of support on the
5 proposal provided by such subdivision of local government, and
6 information regarding whether the proposal is consistent with any
7 community development plan that may exist for the area in which the
8 community betterment organization will provide eligible activities; and

9 (g) If the community betterment organization is recognized by the
10 Internal Revenue Service of the United States Department of the Treasury
11 as an organization to which contributions are tax deductible,
12 documentation of such recognition.

13 (2) The department shall review all proposals based on the following
14 criteria:

15 (a) The extent to which the proposed program or project will create
16 or maintain jobs, provide youth sport participation, stimulate economic
17 development, or provide an economic benefit to the community development
18 area;

19 (b) A demonstrated capacity and performance of the community
20 betterment organization to execute the proposed program or project;

21 (c) The involvement of residents and community support of the
22 affected area in the planning of the proposed program or project and the
23 extent to which they will be involved in its implementation;

24 (d) The extent to which private sector contributions have been
25 committed to the proposed program or project, contingent upon approval of
26 the program or project by the department; and

27 (e) Documentation that the proposed program or project is supported
28 by the appropriate subdivision of local government, including any letters
29 of support provided by such subdivision of local government, and
30 information regarding whether the proposed program or project is
31 consistent with any community development plan that may exist for the

1 area in which the community betterment organization will provide eligible
2 activities.

3 (3) Proposals submitted subsequent to the first year shall be
4 evaluated on performance of the prior year's program or project, other
5 resources developed, and continued need.

6 ~~If the subdivision of local government has adopted a community~~
7 ~~development plan for an area which includes the area in which the~~
8 ~~community betterment organization is providing community assistance or~~
9 ~~community services, the organization shall submit a copy of the program~~
10 ~~proposal to the chief executive officer of such subdivision. If the~~
11 ~~program proposal is consistent with the adopted community development~~
12 ~~plan, the chief executive officer shall so certify to the department for~~
13 ~~the department's approval or disapproval. If the program proposal is not~~
14 ~~consistent with the adopted community development plan of the local~~
15 ~~subdivision, the chief executive officer shall so indicate and the~~
16 ~~proposal shall not be approved by the department. If the proposed~~
17 ~~activities are consistent with the adopted community development plan,~~
18 ~~but for other reasons they are not viewed as appropriate by the local~~
19 ~~subdivision, the chief executive officer shall so indicate and the~~
20 ~~department shall review the program proposal and approve or disapprove~~
21 ~~it. The local subdivision shall review the proposal within forty-five~~
22 ~~days from the date of receipt for review. If the subdivision does not~~
23 ~~issue its finding concerning the proposal within forty five days after~~
24 ~~receipt, the proposal shall be deemed approved. The department shall~~
25 ~~approve or disapprove a program proposal submitted pursuant to section~~
26 ~~13-204 within forty five days of receipt by the department.~~

27 Sec. 5. Section 13-206, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 13-206 (1) ~~The director shall adopt and promulgate rules and~~
30 ~~regulations for the approval or disapproval of the program proposals~~
31 ~~submitted pursuant to section 13-205 taking into account the economic~~

1 ~~need level and the geographic distribution of the population of the~~
2 ~~community development area. The director shall also adopt and promulgate~~
3 ~~rules and regulations concerning the amount of the tax credit for which a~~
4 ~~program shall be certified. The tax credits provided for in sections~~
5 ~~13-205 to 13-208 shall be available for contributions to a certified~~
6 ~~program or project which may qualify as a charitable contribution~~
7 ~~deduction on the federal income tax return filed by the business firm or~~
8 ~~individual making such contribution. The decision of the department to~~
9 ~~approve or disapprove all or any portion of a proposal shall be in~~
10 ~~writing. If the proposal is approved, the maximum tax credit allowance~~
11 ~~for the certified program shall be stated along with the approval. The~~
12 ~~maximum tax credit allowance approved by the department shall be final~~
13 ~~for the fiscal year in which the program or project is certified. A copy~~
14 ~~of all decisions shall be transmitted to the Tax Commissioner. A copy of~~
15 ~~all credits allowed to business firms under sections 44-150 and 77-908~~
16 ~~shall be transmitted to the Director of Insurance.~~

17 (2) For all business firms and individuals eligible for the credit
18 allowed by section 13-207, except for insurance companies paying premium
19 and related retaliatory taxes in this state pursuant to section 44-150 or
20 77-908, the Tax Commissioner shall provide for the manner in which the
21 credit allowed by section 13-207 shall be taken and the forms on which
22 such credit shall be allowed. The Tax Commissioner shall adopt and
23 promulgate rules and regulations for the method of providing tax credits.
24 The Director of Insurance shall provide for the manner in which the
25 credit allowed by section 13-207 to insurance companies paying premium
26 and related retaliatory taxes in this state pursuant to sections 44-150
27 and 77-908 shall be taken and the forms on which such credit shall be
28 allowed. The Director of Insurance may adopt and promulgate rules and
29 regulations for the method of providing the tax credit. The Tax
30 Commissioner shall allow against any income tax due from the insurance
31 companies paying premium and related retaliatory taxes in this state

1 pursuant to section 44-150 or 77-908 a credit for the credit provided by
2 section 13-207 and allowed by the Director of Insurance.

3 (3) The decision of the department to approve or disapprove all or
4 any portion of a proposal or certify a program or project for a
5 designated amount of tax credits shall be provided in writing within
6 forty-five days after receipt of a complete application. If the program
7 or project is approved or certified for a designated amount of tax
8 credits, the department shall prepare and transmit a written agreement to
9 the community betterment organization. The date the written agreement is
10 fully executed by the community betterment organization and the
11 department shall be the date from which contributions may be made to the
12 approved program or project.

13 (4) Documentation evidencing contributions made to programs or
14 projects certified for tax credit status by the department shall be
15 submitted to the department. The department may request additional
16 documentation as the facts and circumstances may require, or to
17 substantiate the value of the contribution, but documentation shall
18 generally be as follows:

19 (a) Cash contributions may be shown by a photocopy of both sides of
20 the canceled check or by proof of electronic funds transfer that includes
21 documentation from the bank account of origin and destination. Checks
22 shall be made payable to the community betterment organization and noted
23 specifically for that program or project, and electronic funds transfers
24 shall be transferred into the community betterment organization's bank
25 account for the program or project certified for tax credit status by the
26 department;

27 (b) Real property contributions may be shown by the deed and
28 documentation of at least one independent appraisal of the real property
29 by a real property appraiser credentialed under the Real Property
30 Appraiser Act;

31 (c) Contributions of equipment or supplies may be shown by copies of

1 invoices signed by both the contributor and the community betterment
2 organization receiving the equipment or supplies;

3 (d) Contributions of services include the provision of services to a
4 community betterment organization that, if not provided, the community
5 betterment organization would have to pay for or purchase. Contributions
6 of services shall be shown by an affidavit submitted by the individual or
7 business firm demonstrating the net cost of the donated services by (i)
8 taking the time spent providing the services times the hourly wage plus
9 other benefits paid to personnel providing the services or (ii) providing
10 documentation of two price quotes obtained by the contributor
11 demonstrating the cost of the services provided;

12 (e) Stock contributions shall be converted into cash before the
13 community betterment organization receives the donation. Stock
14 contributions may be shown as cash contributions; and

15 (f) Other contributions may be shown by affidavit or by other signed
16 statement deemed acceptable by the department that identifies the
17 contribution, the value of the contribution, and how the value was
18 determined along with other information as may be requested by the
19 department for the particular situation.

20 (5) The value of eligible contributions made to community betterment
21 organizations for programs or projects certified for tax credit status by
22 the department shall be determined based upon the valuation of charitable
23 contributions for federal income tax purposes established by the Internal
24 Revenue Service of the United States Department of the Treasury.

25 Sec. 6. Section 13-207, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 13-207 (1) An individual taxpayer who makes one or more
28 contributions to one or more programs or projects certified for tax
29 credit status during a tax year shall be eligible for a tax credit under
30 the Creating High Impact Economic Futures Act. The amount of the credit
31 shall be equal to one hundred percent of the total amount of such

1 contributions made during the tax year.

2 (2) Taxpayers who are married but file separate returns for a tax
3 year in which they could have filed a joint return may each claim fifty
4 percent of the tax credit that would otherwise have been allowed for a
5 joint return.

6 (3) Any partnership, limited liability company, or corporation
7 having an election in effect under subchapter S of the Internal Revenue
8 Code of 1986, as amended, that makes one or more contributions to one or
9 more programs or projects certified for tax credit status during a tax
10 year shall be eligible for a tax credit under the Creating High Impact
11 Economic Futures Act. The amount of the credit shall be equal to fifty
12 percent of the total amount of such contributions made during the tax
13 year. The credit shall be attributed to each partner, member, or
14 shareholder in the same proportion used to report the partnership's,
15 limited liability company's, or subchapter S corporation's income or loss
16 for income tax purposes.

17 (4) An estate or trust that makes one or more contributions to one
18 or more programs or projects certified for tax credit status during a tax
19 year shall be eligible for a tax credit under the Creating High Impact
20 Economic Futures Act. The amount of the credit shall be equal to fifty
21 percent of the total amount of such contributions made during the tax
22 year. Any credit not used by the estate or trust may be attributed to
23 each beneficiary of the estate or trust in the same proportion used to
24 report the beneficiary's income from the estate or trust for income tax
25 purposes.

26 (5) A corporate taxpayer as defined in section 77-2734.04 that makes
27 one or more contributions to one or more programs or projects certified
28 for tax credit status during a tax year shall be eligible for a tax
29 credit under the Creating High Impact Economic Futures Act. The amount of
30 the credit shall be equal to fifty percent of the total amount of such
31 contributions made during the tax year.

1 (6) The tax credit allowed under this section shall be a
2 nonrefundable credit. Any amount of the tax credit that is unused may be
3 carried forward and applied against the taxpayer's income tax liability
4 for the next five years immediately following the tax year in which the
5 credit is first allowed. The tax credit cannot be carried back.

6 (7) The tax credit allowed under this section is subject to section
7 13-208.

8 ~~(1) Any business firm or individual which plans to or which has~~
9 ~~contributed to a certified program of a community betterment organization~~
10 ~~may apply to the department for authorization for a tax credit for the~~
11 ~~contribution to the certified program in an amount up to but not~~
12 ~~exceeding the maximum tax credit allowed by the department. The maximum~~
13 ~~tax credit allowed by the department for each approved business firm or~~
14 ~~individual shall be in an amount which does not exceed forty percent of~~
15 ~~the total amount contributed by the business firm or individual during~~
16 ~~its taxable year to any programs certified pursuant to section 13-205.~~
17 ~~The director shall send a copy of the approved application which includes~~
18 ~~the amount of the tax credit to be allowed and a certification by the~~
19 ~~department that the contribution has been paid as proposed by the~~
20 ~~business firm or individual to the Tax Commissioner who shall grant a tax~~
21 ~~credit against any tax due under sections 77-2715, 77-2734.02, and~~
22 ~~77-3801 to 77-3807 and to the Director of Insurance who shall grant a tax~~
23 ~~credit against any premium and related retaliatory taxes due under~~
24 ~~sections 44-150 and 77-908.~~

25 ~~(2) No tax credit shall be granted to any business firm or~~
26 ~~individual in this state pursuant to the Community Development Assistance~~
27 ~~Act for activities that are a part of its normal course of business. Any~~
28 ~~tax credit balance may be carried over and applied against the business~~
29 ~~firm's or individual's tax liability for the next five years immediately~~
30 ~~succeeding the tax year in which the credit was first allowed.~~

31 Sec. 7. Section 13-208, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 13-208 The annual limit on the total amount of tax credits allowed
3 for calendar year 2024 and each calendar year thereafter shall be two
4 million dollars per year per congressional district, totaling six million
5 dollars per year. Once credits have reached the annual limit for any
6 calendar year, no additional credits shall be allowed for such calendar
7 year. The total amount of tax credit granted for programs approved and
8 certified under the Community Development Assistance Act by the
9 department for any fiscal year shall not exceed three hundred fifty
10 thousand dollars, except that for fiscal year 2016-17, the total amount
11 of tax credit granted under this section shall be reduced by seventy-five
12 thousand dollars.

13 Sec. 8. Section 77-908, Revised Statutes Cumulative Supplement,
14 2022, is amended to read:

15 77-908 Every insurance company organized under the stock, mutual,
16 assessment, or reciprocal plan, except fraternal benefit societies, which
17 is transacting business in this state shall, on or before March 1 of each
18 year, pay a tax to the director of one percent of the gross amount of
19 direct writing premiums received by it during the preceding calendar year
20 for business done in this state, except that (1) for group sickness and
21 accident insurance the rate of such tax shall be five-tenths of one
22 percent and (2) for property and casualty insurance, excluding individual
23 sickness and accident insurance, the rate of such tax shall be one
24 percent. A captive insurer authorized under the Captive Insurers Act that
25 is transacting business in this state shall, on or before March 1 of each
26 year, pay to the director a tax of one-fourth of one percent of the gross
27 amount of direct writing premiums received by such insurer during the
28 preceding calendar year for business transacted in the state. The taxable
29 premiums shall include premiums paid on the lives of persons residing in
30 this state and premiums paid for risks located in this state whether the
31 insurance was written in this state or not, including that portion of a

1 group premium paid which represents the premium for insurance on Nebraska
2 residents or risks located in Nebraska included within the group when the
3 number of lives in the group exceeds five hundred. The tax shall also
4 apply to premiums received by domestic companies for insurance written on
5 individuals residing outside this state or risks located outside this
6 state if no comparable tax is paid by the direct writing domestic company
7 to any other appropriate taxing authority. Companies whose scheme of
8 operation contemplates the return of a portion of premiums to
9 policyholders, without such policyholders being claimants under the terms
10 of their policies, may deduct such return premiums or dividends from
11 their gross premiums for the purpose of tax calculations. Any such
12 insurance company shall receive a credit on the tax imposed as provided
13 in the Creating High Impact Economic Futures Community Development
14 ~~Assistance~~ Act, the Nebraska Job Creation and Mainstreet Revitalization
15 Act, the New Markets Job Growth Investment Act, the Nebraska Higher Blend
16 Tax Credit Act, and the Affordable Housing Tax Credit Act.

17 Sec. 9. Section 77-2715.07, Revised Statutes Supplement, 2023, is
18 amended to read:

19 77-2715.07 (1) There shall be allowed to qualified resident
20 individuals as a nonrefundable credit against the income tax imposed by
21 the Nebraska Revenue Act of 1967:

22 (a) A credit equal to the federal credit allowed under section 22 of
23 the Internal Revenue Code; and

24 (b) A credit for taxes paid to another state as provided in section
25 77-2730.

26 (2) There shall be allowed to qualified resident individuals against
27 the income tax imposed by the Nebraska Revenue Act of 1967:

28 (a) For returns filed reporting federal adjusted gross incomes of
29 greater than twenty-nine thousand dollars, a nonrefundable credit equal
30 to twenty-five percent of the federal credit allowed under section 21 of
31 the Internal Revenue Code of 1986, as amended, except that for taxable

1 years beginning or deemed to begin on or after January 1, 2015, such
2 nonrefundable credit shall be allowed only if the individual would have
3 received the federal credit allowed under section 21 of the code after
4 adding back in any carryforward of a net operating loss that was deducted
5 pursuant to such section in determining eligibility for the federal
6 credit;

7 (b) For returns filed reporting federal adjusted gross income of
8 twenty-nine thousand dollars or less, a refundable credit equal to a
9 percentage of the federal credit allowable under section 21 of the
10 Internal Revenue Code of 1986, as amended, whether or not the federal
11 credit was limited by the federal tax liability. The percentage of the
12 federal credit shall be one hundred percent for incomes not greater than
13 twenty-two thousand dollars, and the percentage shall be reduced by ten
14 percent for each one thousand dollars, or fraction thereof, by which the
15 reported federal adjusted gross income exceeds twenty-two thousand
16 dollars, except that for taxable years beginning or deemed to begin on or
17 after January 1, 2015, such refundable credit shall be allowed only if
18 the individual would have received the federal credit allowed under
19 section 21 of the code after adding back in any carryforward of a net
20 operating loss that was deducted pursuant to such section in determining
21 eligibility for the federal credit;

22 (c) A refundable credit as provided in section 77-5209.01 for
23 individuals who qualify for an income tax credit as a qualified beginning
24 farmer or livestock producer under the Beginning Farmer Tax Credit Act
25 for all taxable years beginning or deemed to begin on or after January 1,
26 2006, under the Internal Revenue Code of 1986, as amended;

27 (d) A refundable credit for individuals who qualify for an income
28 tax credit under the Angel Investment Tax Credit Act, the Nebraska
29 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research
30 and Development Act, or the Volunteer Emergency Responders Incentive Act;
31 and

1 (e) A refundable credit equal to ten percent of the federal credit
2 allowed under section 32 of the Internal Revenue Code of 1986, as
3 amended, except that for taxable years beginning or deemed to begin on or
4 after January 1, 2015, such refundable credit shall be allowed only if
5 the individual would have received the federal credit allowed under
6 section 32 of the code after adding back in any carryforward of a net
7 operating loss that was deducted pursuant to such section in determining
8 eligibility for the federal credit.

9 (3) There shall be allowed to all individuals as a nonrefundable
10 credit against the income tax imposed by the Nebraska Revenue Act of
11 1967:

12 (a) A credit for personal exemptions allowed under section
13 77-2716.01;

14 (b) A credit for contributions to programs or projects certified for
15 tax credit status certified community betterment programs as provided in
16 the Creating High Impact Economic Futures Community Development
17 Assistance Act. Each partner, each shareholder of an electing subchapter
18 S corporation, each beneficiary of an estate or trust, or each member of
19 a limited liability company shall report his or her share of the credit
20 in the same manner and proportion as he or she reports the partnership,
21 subchapter S corporation, estate, trust, or limited liability company
22 income;

23 (c) A credit for investment in a biodiesel facility as provided in
24 section 77-27,236;

25 (d) A credit as provided in the New Markets Job Growth Investment
26 Act;

27 (e) A credit as provided in the Nebraska Job Creation and Mainstreet
28 Revitalization Act;

29 (f) A credit to employers as provided in sections 77-27,238 and
30 77-27,240;

31 (g) A credit as provided in the Affordable Housing Tax Credit Act;

1 (h) A credit to grocery store retailers, restaurants, and
2 agricultural producers as provided in section 77-27,241; and

3 (i) A credit as provided in the Opportunity Scholarships Act.

4 (4) There shall be allowed as a credit against the income tax
5 imposed by the Nebraska Revenue Act of 1967:

6 (a) A credit to all resident estates and trusts for taxes paid to
7 another state as provided in section 77-2730;

8 (b) A credit to all estates and trusts for contributions to programs
9 or projects certified for tax credit status ~~certified community~~
10 ~~betterment programs~~ as provided in the Creating High Impact Economic
11 Futures Community Development Assistance Act; and

12 (c) A refundable credit for individuals who qualify for an income
13 tax credit as an owner of agricultural assets under the Beginning Farmer
14 Tax Credit Act for all taxable years beginning or deemed to begin on or
15 after January 1, 2009, under the Internal Revenue Code of 1986, as
16 amended. The credit allowed for each partner, shareholder, member, or
17 beneficiary of a partnership, corporation, limited liability company, or
18 estate or trust qualifying for an income tax credit as an owner of
19 agricultural assets under the Beginning Farmer Tax Credit Act shall be
20 equal to the partner's, shareholder's, member's, or beneficiary's portion
21 of the amount of tax credit distributed pursuant to subsection (6) of
22 section 77-5211.

23 (5)(a) For all taxable years beginning on or after January 1, 2007,
24 and before January 1, 2009, under the Internal Revenue Code of 1986, as
25 amended, there shall be allowed to each partner, shareholder, member, or
26 beneficiary of a partnership, subchapter S corporation, limited liability
27 company, or estate or trust a nonrefundable credit against the income tax
28 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the
29 partner's, shareholder's, member's, or beneficiary's portion of the
30 amount of franchise tax paid to the state under sections 77-3801 to
31 77-3807 by a financial institution.

1 (b) For all taxable years beginning on or after January 1, 2009,
2 under the Internal Revenue Code of 1986, as amended, there shall be
3 allowed to each partner, shareholder, member, or beneficiary of a
4 partnership, subchapter S corporation, limited liability company, or
5 estate or trust a nonrefundable credit against the income tax imposed by
6 the Nebraska Revenue Act of 1967 equal to the partner's, shareholder's,
7 member's, or beneficiary's portion of the amount of franchise tax paid to
8 the state under sections 77-3801 to 77-3807 by a financial institution.

9 (c) Each partner, shareholder, member, or beneficiary shall report
10 his or her share of the credit in the same manner and proportion as he or
11 she reports the partnership, subchapter S corporation, limited liability
12 company, or estate or trust income. If any partner, shareholder, member,
13 or beneficiary cannot fully utilize the credit for that year, the credit
14 may not be carried forward or back.

15 (6) There shall be allowed to all individuals nonrefundable credits
16 against the income tax imposed by the Nebraska Revenue Act of 1967 as
17 provided in section 77-3604 and refundable credits against the income tax
18 imposed by the Nebraska Revenue Act of 1967 as provided in section
19 77-3605.

20 (7)(a) For taxable years beginning or deemed to begin on or after
21 January 1, 2020, and before January 1, 2026, under the Internal Revenue
22 Code of 1986, as amended, a nonrefundable credit against the income tax
23 imposed by the Nebraska Revenue Act of 1967 in the amount of five
24 thousand dollars shall be allowed to any individual who purchases a
25 residence during the taxable year if such residence:

26 (i) Is located within an area that has been declared an extremely
27 blighted area under section 18-2101.02;

28 (ii) Is the individual's primary residence; and

29 (iii) Was not purchased from a family member of the individual or a
30 family member of the individual's spouse.

31 (b) The credit provided in this subsection shall be claimed for the

1 taxable year in which the residence is purchased. If the individual
2 cannot fully utilize the credit for such year, the credit may be carried
3 forward to subsequent taxable years until fully utilized.

4 (c) No more than one credit may be claimed under this subsection
5 with respect to a single residence.

6 (d) The credit provided in this subsection shall be subject to
7 recapture by the Department of Revenue if the individual claiming the
8 credit sells or otherwise transfers the residence or quits using the
9 residence as his or her primary residence within five years after the end
10 of the taxable year in which the credit was claimed.

11 (e) For purposes of this subsection, family member means an
12 individual's spouse, child, parent, brother, sister, grandchild, or
13 grandparent, whether by blood, marriage, or adoption.

14 (8) There shall be allowed to all individuals refundable credits
15 against the income tax imposed by the Nebraska Revenue Act of 1967 as
16 provided in the Nebraska Biodiesel Tax Credit Act, the Nebraska Higher
17 Blend Tax Credit Act, the Nebraska Property Tax Incentive Act, and the
18 Renewable Chemical Production Tax Credit Act.

19 (9)(a) For taxable years beginning or deemed to begin on or after
20 January 1, 2022, under the Internal Revenue Code of 1986, as amended, a
21 refundable credit against the income tax imposed by the Nebraska Revenue
22 Act of 1967 shall be allowed to the parent of a stillborn child if:

23 (i) A fetal death certificate is filed pursuant to subsection (1) of
24 section 71-606 for such child;

25 (ii) Such child had advanced to at least the twentieth week of
26 gestation; and

27 (iii) Such child would have been a dependent of the individual
28 claiming the credit.

29 (b) The amount of the credit shall be two thousand dollars.

30 (c) The credit shall be allowed for the taxable year in which the
31 stillbirth occurred.

1 (10) There shall be allowed to all individuals refundable credits
2 against the income tax imposed by the Nebraska Revenue Act of 1967 as
3 provided in section 77-7203 and nonrefundable credits against the income
4 tax imposed by the Nebraska Revenue Act of 1967 as provided in section
5 77-7204.

6 Sec. 10. Section 77-2734.03, Revised Statutes Supplement, 2023, is
7 amended to read:

8 77-2734.03 (1)(a) For taxable years commencing prior to January 1,
9 1997, any (i) insurer paying a tax on premiums and assessments pursuant
10 to section 77-908 or 81-523, (ii) electric cooperative organized under
11 the Joint Public Power Authority Act, or (iii) credit union shall be
12 credited, in the computation of the tax due under the Nebraska Revenue
13 Act of 1967, with the amount paid during the taxable year as taxes on
14 such premiums and assessments and taxes in lieu of intangible tax.

15 (b) For taxable years commencing on or after January 1, 1997, any
16 insurer paying a tax on premiums and assessments pursuant to section
17 77-908 or 81-523, any electric cooperative organized under the Joint
18 Public Power Authority Act, or any credit union shall be credited, in the
19 computation of the tax due under the Nebraska Revenue Act of 1967, with
20 the amount paid during the taxable year as (i) taxes on such premiums and
21 assessments included as Nebraska premiums and assessments under section
22 77-2734.05 and (ii) taxes in lieu of intangible tax.

23 (c) For taxable years commencing or deemed to commence prior to, on,
24 or after January 1, 1998, any insurer paying a tax on premiums and
25 assessments pursuant to section 77-908 or 81-523 shall be credited, in
26 the computation of the tax due under the Nebraska Revenue Act of 1967,
27 with the amount paid during the taxable year as assessments allowed as an
28 offset against premium and related retaliatory tax liability pursuant to
29 section 44-4233.

30 (2) There shall be allowed to corporate taxpayers a tax credit for
31 contributions to programs or projects certified for tax credit status

1 ~~community betterment programs~~ as provided in the Creating High Impact
2 Economic Futures Community Development Assistance Act.

3 (3) There shall be allowed to corporate taxpayers a refundable
4 income tax credit under the Beginning Farmer Tax Credit Act for all
5 taxable years beginning or deemed to begin on or after January 1, 2001,
6 under the Internal Revenue Code of 1986, as amended.

7 (4) The changes made to this section by Laws 2004, LB 983, apply to
8 motor fuels purchased during any tax year ending or deemed to end on or
9 after January 1, 2005, under the Internal Revenue Code of 1986, as
10 amended.

11 (5) There shall be allowed to corporate taxpayers refundable income
12 tax credits under the Nebraska Advantage Microenterprise Tax Credit Act,
13 the Nebraska Advantage Research and Development Act, the Nebraska
14 Biodiesel Tax Credit Act, the Nebraska Higher Blend Tax Credit Act, the
15 Nebraska Property Tax Incentive Act, and the Renewable Chemical
16 Production Tax Credit Act.

17 (6) There shall be allowed to corporate taxpayers a nonrefundable
18 income tax credit for investment in a biodiesel facility as provided in
19 section 77-27,236.

20 (7) There shall be allowed to corporate taxpayers a nonrefundable
21 income tax credit as provided in the Nebraska Job Creation and Mainstreet
22 Revitalization Act, the New Markets Job Growth Investment Act, the School
23 Readiness Tax Credit Act, the Child Care Tax Credit Act, the Affordable
24 Housing Tax Credit Act, the Opportunity Scholarships Act, and sections
25 77-27,238, 77-27,240, and 77-27,241.

26 Sec. 11. Section 77-3806, Revised Statutes Cumulative Supplement,
27 2022, is amended to read:

28 77-3806 (1) The tax return shall be filed and the total amount of
29 the franchise tax shall be due on the fifteenth day of the third month
30 after the end of the taxable year. No extension of time to pay the tax
31 shall be granted. If the Tax Commissioner determines that the amount of

1 tax can be computed from available information filed by the financial
2 institutions with either state or federal regulatory agencies, the Tax
3 Commissioner may, by regulation, waive the requirement for the financial
4 institutions to file returns.

5 (2) Sections 77-2714 to 77-27,135 relating to deficiencies,
6 penalties, interest, the collection of delinquent amounts, and appeal
7 procedures for the tax imposed by section 77-2734.02 shall also apply to
8 the tax imposed by section 77-3802. If the filing of a return is waived
9 by the Tax Commissioner, the payment of the tax shall be considered the
10 filing of a return for purposes of sections 77-2714 to 77-27,135.

11 (3) No refund of the tax imposed by section 77-3802 shall be allowed
12 unless a claim for such refund is filed within ninety days of the date on
13 which (a) the tax is due or was paid, whichever is later, (b) a change is
14 made to the amount of deposits or the net financial income of the
15 financial institution by a state or federal regulatory agency, or (c) the
16 Nebraska Investment Finance Authority issues an eligibility statement to
17 the financial institution pursuant to the Affordable Housing Tax Credit
18 Act.

19 (4) Any such financial institution shall receive a credit on the
20 franchise tax as provided under the Affordable Housing Tax Credit Act,
21 the Creating High Impact Economic Futures Community Development
22 Assistance Act, the Nebraska Higher Blend Tax Credit Act, the Nebraska
23 Job Creation and Mainstreet Revitalization Act, the Nebraska Property Tax
24 Incentive Act, and the New Markets Job Growth Investment Act.

25 Sec. 12. Section 77-4403, Revised Statutes Supplement, 2023, is
26 amended to read:

27 77-4403 For purposes of the Good Life Transformational Projects Act:

28 (1) Department means the Department of Economic Development; ~~and~~

29 (2) Good life district means a district established pursuant to
30 section 77-4405; and -

31 (3) Qualified inland port district means an inland port district

1 created pursuant to the Municipal Inland Port Authority Act that is
2 located within a city of the metropolitan class.

3 Sec. 13. Section 77-4404, Revised Statutes Supplement, 2023, is
4 amended to read:

5 77-4404 (1) Until December 31, 2024, any person may apply to the
6 department to create a good life district. All applications shall be in
7 writing and shall contain:

8 (a) A description of the proposed project to be undertaken within
9 the good life district, including a description of any existing
10 development, an estimate of the total new development costs for the
11 project, and an estimate of the number of new jobs to be created as a
12 result of the project;

13 (b) A map identifying the good life district to be used for purposes
14 of the project;

15 (c) A description of the proposed financing of the project;

16 (d) Documentation of local financial commitment to support the
17 project, including all public and private resources pledged or committed
18 to the project and including a copy of any operating agreement or lease
19 with substantial users of the project area; and

20 (e) Sufficient documents, plans, and specifications as required by
21 the department to define the project, including the following:

22 (i) A statement of how the jobs and taxes obtained from the project
23 will contribute significantly to the economic development of the state
24 and region;

25 (ii) Visitation expectations and a plan describing how the number of
26 visitors to the good life district will be tracked and reported on an
27 annual basis;

28 (iii) Any unique qualities of the project;

29 (iv) An economic impact study, including the anticipated effect of
30 the project on the regional and statewide economies;

31 (v) Project accountability, measured according to best industry

1 practices;

2 (vi) The expected return on state and local investment the project
3 is anticipated to produce; and

4 (vii) A summary of community involvement, participation, and support
5 for the project.

6 (2) Upon receiving an application, the department shall review the
7 application and notify the applicant of any additional information needed
8 for a proper evaluation of the application.

9 (3) The application and all supporting information shall be
10 confidential except for the location of the project, the total new
11 development costs estimated for the project, and the number of new jobs
12 estimated to be created as a result of the project.

13 (4) No more than three good life districts may be created statewide.
14 No more than one good life district may be created in any county with a
15 population of five hundred thousand inhabitants or more, excluding any
16 good life district created within a qualified inland port district.

17 Sec. 14. Section 77-4405, Revised Statutes Supplement, 2023, is
18 amended to read:

19 77-4405 (1) If the department finds that creation of the good life
20 district would not exceed the limits prescribed in subsection (4) of
21 section 77-4404 and the project described in the application meets the
22 eligibility requirements of this section, the application shall be
23 approved.

24 (2) A project is eligible if:

25 (a) The applicant demonstrates that the total new development costs
26 of the project will exceed:

27 (i) One billion dollars if the project will be located in a city of
28 the metropolitan class;

29 (ii) Seven hundred fifty million dollars if the project will be
30 located in a city of the primary class;

31 (iii) Five hundred million dollars if the project will be located in

1 a city of the first class, city of the second class, or village within a
2 county with a population of one hundred thousand inhabitants or more; or

3 (iv) One hundred million dollars if the project will be located in a
4 city of the first class, city of the second class, or village within a
5 county with a population of less than one hundred thousand inhabitants;

6 (b) The applicant demonstrates that the project will directly or
7 indirectly result in the creation of:

8 (i) One thousand new jobs if the project will be located in a city
9 of the metropolitan class;

10 (ii) Five hundred new jobs if the project will be located in a city
11 of the primary class;

12 (iii) Two hundred fifty new jobs if the project will be located in a
13 city of the first class, city of the second class, or village within a
14 county with a population of one hundred thousand inhabitants or more; or

15 (iv) Fifty new jobs if the project will be located in a city of the
16 first class, city of the second class, or village within a county with a
17 population of less than one hundred thousand inhabitants; and

18 (c)(i) For a project that will be located in a county with a
19 population of one hundred thousand inhabitants or more, the applicant
20 demonstrates that, upon completion of the project, at least twenty
21 percent of sales at the project will be made to persons residing outside
22 the State of Nebraska or the project will generate a minimum of six
23 hundred thousand visitors per year who reside outside the State of
24 Nebraska and the project will attract new-to-market retail to the state
25 and will generate a minimum of three million visitors per year. Students
26 from another state who attend a Nebraska public or private university
27 shall not be counted as out-of-state residents for purposes of this
28 subdivision; or

29 (ii) For a project that will be located in a county with a
30 population of less than one hundred thousand inhabitants, the applicant
31 demonstrates that, upon completion of the project, at least twenty

1 percent of sales at the project will be made to persons residing outside
2 the State of Nebraska. Students from another state who attend a Nebraska
3 public or private university shall not be counted as out-of-state
4 residents for purposes of this subdivision.

5 (3) The applicant must certify that any anticipated diversion of
6 state sales tax revenue will be offset or exceeded by sales tax paid on
7 anticipated development costs, including construction to real property,
8 during the same period.

9 (4) A project is not eligible if:

10 (a) The the project includes a licensed racetrack enclosure or an
11 authorized gaming operator as such terms are defined in section 9-1103; -

12 (b) The project received funds pursuant to the Shovel-Ready Capital
13 Recovery and Investment Act or the Economic Recovery Act, except that
14 this subdivision shall not apply to any project located in a qualified
15 inland port district; or

16 (c) The project includes any portion of a public or private
17 university.

18 (5) Approval of an application under this section shall establish
19 the good life district as that area depicted in the map accompanying the
20 application as submitted pursuant to subdivision (1)(b) of section
21 77-4404. Such district shall last for twenty-five years and shall not
22 exceed two thousand acres in size or, for any good life district created
23 within a qualified inland port district, the size of the qualified inland
24 port district.

25 (6) Upon establishment of a good life district under this section,
26 any transactions occurring within the district shall be subject to a
27 reduced sales tax rate as provided in section 77-2701.02.

28 Sec. 15. Section 81-1201.12, Reissue Revised Statutes of Nebraska,
29 is amended to read:

30 81-1201.12 The department shall:

31 (1) Submit and adopt all necessary plans, enter into contracts, and

1 accept gifts, grants, and federal funds; and

2 (2) Administer the tax credit program established by the Creating
3 High Impact Economic Futures Community Development Assistance Act and
4 adopt and promulgate rules and regulations pursuant to such act.

5 Sec. 16. Original sections 13-201, 13-203, 13-204, 13-205, 13-206,
6 13-207, 13-208, and 81-1201.12, Reissue Revised Statutes of Nebraska,
7 sections 77-908 and 77-3806, Revised Statutes Cumulative Supplement,
8 2022, and sections 77-2715.07, 77-2734.03, 77-4403, 77-4404, and 77-4405,
9 Revised Statutes Supplement, 2023, are repealed.