

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 884

FINAL READING

Introduced by Scheer, 19; Coash, 27; Johnson, 23; Morfeld, 46; Murante, 49; Pansing Brooks, 28; Riepe, 12; Fox, 7; Smith, 14.

Read first time January 11, 2016

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
2 13-2603, 13-2604, 13-2605, 13-3102, 13-3103, 13-3104, and 13-3106,
3 Reissue Revised Statutes of Nebraska, sections 13-2709, 77-908,
4 77-2717, 77-2734.03, and 77-3806, Revised Statutes Cumulative
5 Supplement, 2014, and sections 13-2610, 13-3108, and 77-2715.07,
6 Revised Statutes Supplement, 2015; to change provisions of the
7 Convention Center Facility Financing Assistance Act and the Sports
8 Arena Facility Financing Assistance Act; to adopt the Affordable
9 Housing Tax Credit Act; to harmonize provisions; to provide
10 operative dates; and to repeal the original sections.
11 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-2603, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 13-2603 For purposes of the Convention Center Facility Financing
4 Assistance Act:

5 ~~(1) (1)(a) Associated hotel means any publicly owned facility in~~
6 ~~which the public may, for a consideration, obtain sleeping accommodations~~
7 ~~and which is located within two hundred yards of an eligible facility;~~
8 and

9 ~~(b) Beginning with applications for financial assistance received on or~~
10 ~~after February 1, 2008, associated hotel means any publicly or privately~~
11 ~~owned facility in which the public may, for a consideration, obtain~~
12 ~~sleeping accommodations and which is located, in whole or in part, within~~
13 ~~six hundred four hundred fifty yards of an eligible facility, measured~~
14 ~~from any point of the exterior perimeter of the eligible facility but not~~
15 ~~from any parking facility or other structure;~~

16 (2) Board means a board consisting of the Governor, the State
17 Treasurer, the chairperson of the Nebraska Investment Council, the
18 chairperson of the Nebraska State Board of Public Accountancy, and a
19 professor of economics on the faculty of a state postsecondary
20 educational institution appointed to a two-year term on the board by the
21 Coordinating Commission for Postsecondary Education. For administrative
22 and budget purposes only, the board shall be considered part of the
23 Department of Revenue;

24 (3) Bond means a general obligation bond, redevelopment bond, lease-
25 purchase bond, revenue bond, or combination of any such bonds;

26 (4) Convention and meeting center facility means a temperature-
27 controlled building and personal property primarily used as a convention
28 and meeting center, including an auditorium, an exhibition hall, a
29 facility for onsite food preparation and serving, an onsite, directly
30 connected parking facility for the use of the convention and meeting
31 center facility, and an onsite administrative office of the convention

1 and meeting center facility;

2 (5)(a) Eligible facility means any publicly owned convention and
3 meeting center facility approved for state assistance on or before June
4 1, 2007, any publicly owned sports arena facility attached to such
5 convention and meeting center facility, or any publicly or privately
6 owned convention and meeting center facility or publicly or privately
7 owned sports arena facility acquired, constructed, improved, or equipped
8 after June 1, 2007; and

9 (b) Beginning with applications for financial assistance received on
10 or after February 1, 2008, eligible facility does not include any
11 publicly or privately owned sports arena facility with a seating capacity
12 greater than sixteen thousand seats;

13 (6) General obligation bond means any bond or refunding bond issued
14 by a political subdivision and which is payable from the proceeds of an
15 ad valorem tax;

16 (7) Political subdivision means any local governmental body formed
17 and organized under state law and any joint entity or joint public agency
18 created under state law to act on behalf of political subdivisions which
19 has statutory authority to issue general obligation bonds;

20 (8) Revenue bond means any bond or refunding bond issued by a
21 political subdivision which is limited or special rather than a general
22 obligation bond of the political subdivision and which is not payable
23 from the proceeds of an ad valorem tax; and

24 (9) Sports arena facility means any enclosed temperature-controlled
25 building primarily used for competitive sports, including arenas,
26 dressing and locker facilities, concession areas, parking facilities, and
27 onsite administrative offices connected with operating the facilities.

28 Sec. 2. Section 13-2604, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 13-2604 Any political subdivision that has acquired, constructed,
31 improved, or equipped or has approved a general obligation bond issue to

1 acquire, construct, improve, or equip eligible facilities may apply to
2 the board for state assistance. The state assistance ~~shall~~ may be used:

3 (1) To ~~to~~ pay back amounts expended or borrowed through one or more
4 issues of bonds to be expended by the political subdivision to acquire,
5 construct, improve, and equip eligible facilities until repayment in full
6 of the amounts expended or borrowed by the political subdivision,
7 including the principal of and interest on bonds, for eligible
8 facilities; and -

9 (2) To pay for capital improvements to eligible facilities.

10 Sec. 3. Section 13-2605, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 13-2605 (1) All applications for state assistance under the
13 Convention Center Facility Financing Assistance Act shall be in writing
14 and shall include a certified copy of the approving action of the
15 governing body of the applicant describing the proposed eligible facility
16 and the anticipated financing.

17 (2) The application shall contain:

18 (a) A description of the proposed financing of the eligible
19 facility, including the estimated principal and interest requirements for
20 the bonds proposed to be issued in connection with the eligible facility
21 or the amounts necessary to repay the original investment by the
22 applicant in the eligible facility;

23 (b) Documentation of local financial commitment to support the
24 project, including all public and private resources pledged or committed
25 to the project; and

26 (c) Any other project information deemed appropriate by the board.

27 (3) Upon receiving an application for state assistance, the board
28 shall review the application and notify the applicant of any additional
29 information needed for a proper evaluation of the application.

30 (4) Any state assistance received pursuant to the act shall be used
31 only for public purposes.

1 (5) Each political subdivision that had an application for state
2 assistance approved prior to the operative date of this section shall
3 submit a map to the Department of Revenue showing the area that lies
4 within six hundred yards of the eligible facility as such area is
5 described in subdivision (1) of section 13-2603. The department shall
6 approve such area if it satisfies the requirements of subdivision (1) of
7 section 13-2603.

8 Sec. 4. Section 13-2610, Revised Statutes Supplement, 2015, is
9 amended to read:

10 13-2610 (1) Upon the annual certification under section 13-2609, the
11 State Treasurer shall transfer after the audit the amount certified to
12 the Convention Center Support Fund. The Convention Center Support Fund is
13 created. Transfers may be made from the fund to the General Fund at the
14 direction of the Legislature. Any money in the Convention Center Support
15 Fund available for investment shall be invested by the state investment
16 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
17 State Funds Investment Act.

18 (2) ~~(2)(a)~~ It is the intent of the Legislature to appropriate from
19 the fund to any political subdivision for which an application for state
20 assistance under the Convention Center Facility Financing Assistance Act
21 has been approved an amount not to exceed (a i) seventy percent of the
22 state sales tax revenue collected by retailers and operators doing
23 business at such facilities on sales at such facilities, state sales tax
24 revenue collected on primary and secondary box office sales of admissions
25 to such facilities, and state sales tax revenue collected by associated
26 hotels, (b i+i) seventy-five million dollars for any one approved project,
27 or (c i+i+i) the total cost of acquiring, constructing, improving, or
28 equipping the eligible facility. State assistance shall not be used for
29 an operating subsidy or other ancillary facility.

30 (3)(a) ~~(b)~~ Ten percent of such funds appropriated to a city of the
31 metropolitan class under ~~this~~ subsection (2) of this section shall be

1 equally distributed to areas with a high concentration of poverty to (i)
2 showcase important historical aspects of such areas or areas within close
3 geographic proximity of the area with a high concentration of poverty or
4 (ii) assist with the reduction of street and gang violence in such areas.

5 (b e) Each area with a high concentration of poverty that has been
6 distributed funds under subdivision (3)(a) of this section ~~(b) of this~~
7 ~~subsection~~ shall establish a development fund and form a committee which
8 shall identify and research potential projects to be completed in the
9 area with a high concentration of poverty or in an area within close
10 geographic proximity of such area if the project would have a significant
11 or demonstrable impact on such area and make final determinations on the
12 use of state sales tax revenue received for such projects.

13 (c d) A committee formed under ~~in~~ subdivision (3)(b) of this section
14 ~~(c) of this subsection~~ shall include the following three members:

15 (i) The member of the city council whose district includes a
16 majority of the census tracts which each contain a percentage of persons
17 below the poverty line of greater than thirty percent, as determined by
18 the most recent federal decennial census, within the area with a high
19 concentration of poverty;

20 (ii) The commissioner of the county whose district includes a
21 majority of the census tracts which each contain a percentage of persons
22 below the poverty line of greater than thirty percent, as determined by
23 the most recent federal decennial census, within the area with a high
24 concentration of poverty; and

25 (iii) A resident of the area with a high concentration of poverty,
26 appointed by the other two members of the committee.

27 (d e) A committee formed under ~~in~~ subdivision (3)(b) of this section
28 ~~(c) of this subsection~~ shall solicit project ideas from the public and
29 shall hold a public hearing in the area with a high concentration of
30 poverty. Notice of a proposed hearing shall be provided in accordance
31 with the procedures for notice of a public hearing pursuant to section

1 18-2115. The committee shall research potential projects and make the
2 final determination regarding the annual distribution of funding to such
3 projects.

4 (e f) For purposes of this subsection, an area with a high
5 concentration of poverty means an area within the corporate limits of a
6 city of the metropolitan class consisting of one or more contiguous
7 census tracts, as determined by the most recent federal decennial census,
8 which contain a percentage of persons below the poverty line of greater
9 than thirty percent, and all census tracts contiguous to such tract or
10 tracts, as determined by the most recent federal decennial census.

11 (4)(a) Ten percent of such funds appropriated to a city of the
12 primary class under subsection (2) of this section may, if the city
13 determines by consent of the city council that such funds are not
14 currently needed for the purposes described in section 13-2604, be used
15 as follows:

16 (i) For investment in the construction of qualified low-income
17 housing projects as defined in 26 U.S.C. 42, including qualified projects
18 receiving Nebraska affordable housing tax credits under the Affordable
19 Housing Tax Credit Act; or

20 (ii) If there are no such qualified low-income housing projects as
21 defined in 26 U.S.C. 42 being constructed or expected to be constructed
22 within the political subdivision, for investment in areas with a high
23 concentration of poverty to assist with low-income housing needs.

24 (b) For purposes of this subsection, an area with a high
25 concentration of poverty means an area within the corporate limits of a
26 city of the primary class consisting of one or more contiguous census
27 tracts, as determined by the most recent American Community Survey 5-Year
28 Estimate, which contain a percentage of persons below the poverty line of
29 greater than thirty percent, and all census tracts contiguous to such
30 tract or tracts, as determined by the most recent American Community
31 Survey 5-Year Estimate.

1 (5 3) State assistance to the political subdivision shall no longer
2 be available upon the retirement of the bonds issued to acquire,
3 construct, improve, or equip the facility or any subsequent bonds that
4 refunded the original issue or when state assistance reaches the amount
5 determined under subsection (2) ~~subdivision (2)(a)~~ of this section,
6 whichever comes first.

7 (6 4) The remaining thirty percent of state sales tax revenue
8 collected by retailers and operators doing business at such facilities on
9 sales at such facilities, state sales tax revenue collected on primary
10 and secondary box office sales of admissions to such facilities, and
11 state sales tax revenue collected by associated hotels, shall be
12 appropriated by the Legislature to the Civic and Community Center
13 Financing Fund. Upon the annual certification required pursuant to
14 section 13-2609 and following the transfer to the Convention Center
15 Support Fund required pursuant to subsection (1) of this section, the
16 State Treasurer shall transfer an amount equal to the remaining thirty
17 percent from the Convention Center Support Fund to the Civic and
18 Community Center Financing Fund.

19 (7 5) Any municipality that has applied for and received a grant of
20 assistance under the Civic and Community Center Financing Act may not
21 receive state assistance under the Convention Center Facility Financing
22 Assistance Act.

23 Sec. 5. Section 13-2709, Revised Statutes Cumulative Supplement,
24 2014, is amended to read:

25 13-2709 The department shall submit, as part of the department's
26 annual status report under section 81-1201.11, the following information
27 regarding the Civic and Community Center Financing Act:

28 (1) Information documenting the grants conditionally approved for
29 funding by the Legislature in the following fiscal year;

30 (2) Reasons why a full application was not sent to any municipality
31 seeking assistance under the act;

1 (3) The amount of sales tax revenue generated for the fund pursuant
2 to subsection (6 4) of section 13-2610 and subsection (9) of section
3 13-3108, the total amount of grants applied for under the act, the year-
4 end fund balance, and, if all available funds have not been committed to
5 funding grants under the act, an explanation of the reasons why all such
6 funds have not been so committed;

7 (4) The amount of appropriated funds actually expended by the
8 department for the year;

9 (5) The department's current budget for administration of the act
10 and the department's planned use and distribution of funds, including
11 details on the amount of funds to be expended on grants and the amount of
12 funds to be expended by the department for administrative purposes; and

13 (6) Grant summaries, including the applicant municipality, project
14 description, grant amount requested, amount and type of matching funds,
15 and reasons for approval or denial based on evaluation criteria from
16 section 13-2707 or 13-2707.01 for every application seeking assistance
17 under the act.

18 Sec. 6. Section 13-3102, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 13-3102 For purposes of the Sports Arena Facility Financing
21 Assistance Act:

22 (1) Board means a board consisting of the Governor, the State
23 Treasurer, the chairperson of the Nebraska Investment Council, the
24 chairperson of the Nebraska State Board of Public Accountancy, and a
25 professor of economics on the faculty of a state postsecondary
26 educational institution appointed to a two-year term on the board by the
27 Coordinating Commission for Postsecondary Education. For administrative
28 and budget purposes only, the board shall be considered part of the
29 Department of Revenue;

30 (2) Bond means a general obligation bond, redevelopment bond, lease-
31 purchase bond, revenue bond, or combination of any such bonds;

1 (3) Eligible sports arena facility means:

2 (a) Any publicly owned, enclosed, and temperature-controlled
3 building primarily used for sports that has a permanent seating capacity
4 of at least three thousand but no more than seven thousand seats and in
5 which initial occupancy occurs on or after July 1, 2010. Eligible sports
6 arena facility includes stadiums, arenas, dressing and locker facilities,
7 concession areas, parking facilities, and onsite administrative offices
8 connected with operating the facilities; and

9 (b) Any racetrack enclosure licensed by the State Racing Commission
10 in which initial occupancy occurs on or after July 1, 2010, including
11 concession areas, parking facilities, and onsite administrative offices
12 connected with operating the racetrack;

13 (4) General obligation bond means any bond or refunding bond issued
14 by a political subdivision and which is payable from the proceeds of an
15 ad valorem tax;

16 (5) Increase in state sales tax revenue means the amount of state
17 sales tax revenue collected by a nearby retailer during the fiscal year
18 for which state assistance is calculated minus the amount of state sales
19 tax revenue collected by the nearby retailer in the fiscal year that
20 ended immediately preceding the date of occupancy of the eligible sports
21 arena facility, except that the amount of state sales tax revenue of a
22 nearby retailer shall not be less than zero;

23 (6) Nearby retailer means a retailer as defined in section
24 77-2701.32 that is located within the program area ~~six hundred yards of~~
25 ~~an eligible sports arena facility, measured from the facility but not~~
26 ~~from any parking facility or other structure.~~ The term includes a
27 subsequent owner of a nearby retailer operating at the same location;

28 (7) New state sales tax revenue means:

29 (a) For nearby retailers that commenced collecting state sales tax
30 during the period of time beginning twenty-four months prior to occupancy
31 of the eligible sports arena facility and ending forty-eight ~~twenty-four~~

1 months after the occupancy of the eligible sports arena facility or, for
2 applications for state assistance approved prior to the operative date of
3 this section, forty-eight months after the operative date of this
4 section, one hundred percent of the state sales tax revenue collected by
5 the nearby retailer and sourced under sections 77-2703.01 to 77-2703.04
6 to the program area a location within six hundred yards of the eligible
7 sports arena facility; and

8 (b) For nearby retailers that commenced collecting state sales tax
9 prior to twenty-four months prior to occupancy of the eligible sports
10 arena facility, the increase in state sales tax revenue collected by the
11 nearby retailer and sourced under sections 77-2703.01 to 77-2703.04 to
12 the program area a location within six hundred yards of the facility;

13 (8) Political subdivision means any city, village, or county; ~~and~~

14 (9) Program area means:

15 (a) For applications for state assistance submitted prior to the
16 operative date of this section, the area that is located within six
17 hundred yards of an eligible sports arena facility, measured from any
18 point of the exterior perimeter of the facility but not from any parking
19 facility or other structure; or

20 (b) For applications for state assistance submitted on or after the
21 operative date of this section, the area that is located within six
22 hundred yards of an eligible sports arena facility, measured from any
23 point of the exterior perimeter of the facility but not from any parking
24 facility or other structure, except that if twenty-five percent or more
25 of such area is unbuildable property, then the program area shall be
26 adjusted so that:

27 (i) It avoids as much of the unbuildable property as is practical;
28 and

29 (ii) It contains contiguous property with the same total amount of
30 square footage that the program area would have contained had no
31 adjustment been necessary.

1 Approval of an application for state assistance by the board
2 pursuant to section 13-3106 shall establish the program area as that area
3 depicted in the map accompanying the application for state assistance as
4 submitted pursuant to subdivision (2)(c) of section 13-3104.

5 (10 9) Revenue bond means any bond or refunding bond issued by a
6 political subdivision which is limited or special rather than a general
7 obligation bond of the political subdivision and which is not payable
8 from the proceeds of an ad valorem tax; and -

9 (11) Unbuildable property means any real property that is located in
10 a floodway, an environmentally protected area, a right-of-way, or a
11 brownfield site as defined in 42 U.S.C. 9601 that the political
12 subdivision determines is not suitable for the construction or location
13 of residential, commercial, or other buildings or facilities.

14 Sec. 7. Section 13-3103, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 13-3103 (1) Any political subdivision or its governing body that
17 has (a ±) acquired, constructed, improved, or equipped, (b 2) approved a
18 revenue bond issue or a general obligation bond issue to acquire,
19 construct, improve, or equip, or (c 3) adopted a resolution authorizing
20 the political subdivision to pursue a general obligation bond issue to
21 acquire, construct, improve, or equip an eligible sports arena facility
22 may apply to the board for state assistance. The state assistance shall
23 only be used to pay back amounts expended or borrowed through one or more
24 issues of bonds to be expended by the political subdivision to acquire,
25 construct, improve, and equip the eligible sports arena facility.

26 (2) For applications for state assistance approved on or after the
27 operative date of this section, no more than fifty percent of the final
28 cost of the eligible sports arena facility shall be funded by state
29 assistance received pursuant to section 13-3108.

30 Sec. 8. Section 13-3104, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 13-3104 (1) All applications for state assistance under the Sports
2 Arena Facility Financing Assistance Act shall be in writing and shall
3 include a certified copy of the approving action of the governing body of
4 the applicant describing the proposed eligible sports arena facility and
5 the anticipated financing.

6 (2) The application shall contain:

7 (a) A description of the proposed financing of the eligible sports
8 arena facility, including the estimated principal and interest
9 requirements for the bonds proposed to be issued in connection with the
10 facility or the amounts necessary to repay the original investment by the
11 applicant in the facility;

12 (b) Documentation of local financial commitment to support the
13 project, including all public and private resources pledged or committed
14 to the project and including a copy of any operating agreement or lease
15 with substantial users of the facility;~~and~~

16 (c) For applications submitted on or after the operative date of
17 this section, a map identifying the program area, including any
18 unbuildable property within the program area or taken into account in
19 adjusting the program area as described in subdivision (9)(b) of section
20 13-3102; and

21 (d e) Any other project information deemed appropriate by the board.

22 (3) Upon receiving an application for state assistance, the board
23 shall review the application and notify the applicant of any additional
24 information needed for a proper evaluation of the application.

25 (4) Any state assistance received pursuant to the act shall be used
26 only for public purposes.

27 Sec. 9. Section 13-3106, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 13-3106 (1) After consideration of the application and the evidence,
30 if the board finds that the facility described in the application is
31 eligible and that state assistance is in the best interest of the state,

1 the application shall be approved, except that an approval of an
2 application submitted because of the requirement in subdivision (1)(c)
3 ~~(3)~~ of section 13-3103 is a temporary approval. If the general obligation
4 bond issue is subsequently approved by the voters of the political
5 subdivision, the approval by the board becomes permanent. If the general
6 obligation bond issue is not approved by such voters, the temporary
7 approval shall become void.

8 (2) In determining whether state assistance is in the best interest
9 of the state, the board shall consider the fiscal and economic capacity
10 of the applicant to finance the local share of the facility.

11 (3) A majority of the board members constitutes a quorum for the
12 purpose of conducting business. All actions of the board shall be by a
13 majority vote of all the board members, one of whom must be the Governor.

14 Sec. 10. Section 13-3108, Revised Statutes Supplement, 2015, is
15 amended to read:

16 13-3108 (1) The Sports Arena Facility Support Fund is created. Any
17 money in the fund available for investment shall be invested by the state
18 investment officer pursuant to the Nebraska Capital Expansion Act and the
19 Nebraska State Funds Investment Act.

20 (2)(a) Upon receiving the certification described in subsection (3)
21 of section 13-3107, the State Treasurer shall transfer the amount
22 certified to the fund.

23 (b) Upon receiving the quarterly certification described in
24 subsection (4) of section 13-3107, the State Treasurer shall transfer the
25 amount certified to the fund.

26 (3)(a) It is the intent of the Legislature to appropriate from the
27 fund money to be distributed as provided in subsections (4) and (5) of
28 this section to any political subdivision for which an application for
29 state assistance under the Sports Arena Facility Financing Assistance Act
30 has been approved an amount not to exceed seventy percent of the (i)
31 state sales tax revenue collected by retailers doing business at eligible

1 sports arena facilities on sales at such facilities, (ii) state sales tax
2 revenue collected on primary and secondary box office sales of admissions
3 to such facilities, and (iii) new state sales tax revenue collected by
4 nearby retailers and sourced under sections 77-2703.01 to 77-2703.04 to
5 the program area ~~a location within six hundred yards of the eligible~~
6 ~~facility.~~

7 (b) The amount to be appropriated for distribution as state
8 assistance to a political subdivision under this subsection for any one
9 year after the tenth year shall not exceed the highest such amount
10 appropriated under subdivision (3)(a) of this section during any one year
11 of the first ten years of such appropriation. If seventy percent of the
12 state sales tax revenue as described in subdivision (3)(a) of this
13 section exceeds the amount to be appropriated under this subdivision,
14 such excess funds shall be transferred to the General Fund.

15 (4) The amount certified under subsection (3) of section 13-3107
16 shall be distributed as state assistance on or before April 15, 2014.

17 (5) Beginning in 2014, quarterly distributions and associated
18 transfers of state assistance shall be made. Such quarterly distributions
19 and transfers shall be based on the certifications provided under
20 subsection (4) of section 13-3107 and shall occur within fifteen days
21 after receipt of such certification.

22 (6) The total amount of state assistance approved for an eligible
23 sports arena facility shall neither ~~not~~ (a) exceed fifty million dollars
24 nor ~~or~~ (b) be paid out for more than twenty years after the issuance of
25 the first bond for the sports arena facility.

26 (7) State assistance to the political subdivision shall no longer be
27 available upon the retirement of the bonds issued to acquire, construct,
28 improve, or equip the facility or any subsequent bonds that refunded the
29 original issue or when state assistance reaches the amount determined
30 under subsection (6) of this section, whichever comes first.

31 (8) State assistance shall not be used for an operating subsidy or

1 other ancillary facility.

2 (9) The thirty percent of state sales tax revenue remaining after
3 the appropriation and transfer in subsection (3) of this section shall be
4 appropriated by the Legislature and transferred quarterly beginning in
5 2014 to the Civic and Community Center Financing Fund.

6 (10) Except as provided in subsection (11) of this section for a
7 city of the primary class, any municipality that has applied for and
8 received a grant of assistance under the Civic and Community Center
9 Financing Act shall not receive state assistance under the Sports Arena
10 Facility Financing Assistance Act for the same project for which the
11 grant was awarded under the Civic and Community Center Financing Act.

12 (11) A city of the primary class shall not be eligible to receive a
13 grant of assistance from the Civic and Community Center Financing Act if
14 the city has applied for and received a grant of assistance under the
15 Sports Arena Facility Financing Assistance Act.

16 Sec. 11. Sections 11 to 17 of this act shall be known and may be
17 cited as the Affordable Housing Tax Credit Act.

18 Sec. 12. For purposes of the Affordable Housing Tax Credit Act:

19 (1) Allocation year means the year for which the authority awards
20 Nebraska affordable housing tax credits pursuant to the act;

21 (2) Authority means the Nebraska Investment Finance Authority;

22 (3) Eligibility statement means a statement authorized and issued by
23 the authority certifying that a given project is a qualified project that
24 qualifies for Nebraska affordable housing tax credits;

25 (4) Federal low-income housing tax credit means the federal tax
26 credit provided in section 42 of the Internal Revenue Code of 1986, as
27 amended;

28 (5) Nebraska affordable housing tax credit means the nonrefundable
29 tax credit authorized in section 13 of this act;

30 (6) Qualified project means a qualified low-income building or
31 buildings, as that term is defined in section 42 of the Internal Revenue

1 Code of 1986, as amended;

2 (7) Qualified taxpayer means a taxpayer owning an interest, direct
3 or indirect, in a qualified project; and

4 (8) Taxpayer means a person, firm, corporation, or other business
5 entity subject to the income tax imposed by section 77-2715 or
6 77-2734.02, an insurance company subject to premium and related
7 retaliatory tax liability imposed by section 44-150 or 77-908, or a
8 financial institution subject to the franchise tax imposed by sections
9 77-3801 to 77-3807.

10 Sec. 13. (1) An owner of an affordable housing project seeking a
11 Nebraska affordable housing tax credit shall file an application with the
12 authority on a form prescribed by the authority. A qualified taxpayer
13 shall be allowed a nonrefundable tax credit if the authority determines
14 that the project for which tax credits are sought is a qualified project.

15 (2) If the requirements of subsection (1) of this section are met,
16 the authority shall issue an eligibility statement to the owner of such
17 qualified project stating the amount of Nebraska affordable housing tax
18 credits allocated to the qualified project. The amount of such tax
19 credits shall be the amount of federal low-income housing tax credits
20 available to such project, except as otherwise provided in subsection (4)
21 of this section. Tax credits for each qualified project shall be issued
22 for the first six years of the credit period as defined in 26 U.S.C.
23 42(f)(1). The authority shall only allocate tax credits to qualified
24 projects that are placed in service after January 1, 2018.

25 (3) The Nebraska affordable housing tax credit shall be allocated
26 among some or all of the partners, members, or shareholders of the owner
27 of the qualified project in any manner agreed to by such persons. A
28 qualified taxpayer may assign all or part of his or her ownership
29 interest, including his or her interest in the tax credits authorized in
30 this section. For any tax year in which such an interest is assigned
31 pursuant to this subsection, the assignor shall file a written statement

1 with his or her tax return specifying the amount of the credits assigned.

2 (4) The maximum amount of Nebraska affordable housing tax credits
3 awarded to all qualified projects in any given allocation year shall be
4 no more than one hundred percent of the total amount of federal low-
5 income housing tax credits awarded by the authority in the same
6 allocation year. Notwithstanding any other provision of the Affordable
7 Housing Tax Credit Act, the authority is prohibited from awarding to a
8 qualified project any combined amount of federal low-income housing tax
9 credits and Nebraska affordable housing tax credits that is more than
10 necessary to make the qualified project financially feasible.

11 (5) Any Nebraska affordable housing tax credits granted under this
12 section may be used to offset any income taxes due under section 77-2715
13 or 77-2734.02, any premium and related retaliatory taxes due under
14 section 44-150 or 77-908, or any franchise taxes due under sections
15 77-3801 to 77-3807.

16 (6) The tax credit shall not be used to reduce the tax liability of
17 the qualified taxpayer to less than zero. Any tax credit claimed but not
18 used in a taxable year may be carried forward.

19 Sec. 14. (1) The owner of a qualified project shall submit the
20 eligibility statement at the time of filing its tax return. If the
21 authority has not yet issued the eligibility statement at the time the
22 owner files its tax return, the owner may later amend the return to
23 include the eligibility statement.

24 (2) Nebraska affordable housing tax credits may only be claimed for
25 taxable years beginning on or after January 1, 2019.

26 (3) The authority or the Department of Revenue may require the
27 filing of additional documentation necessary to determine the accuracy of
28 a Nebraska affordable housing tax credit claimed.

29 Sec. 15. An insurance company claiming a Nebraska affordable
30 housing tax credit against any premium and related retaliatory taxes due
31 under section 44-150 or 77-908 shall not be required to pay any

1 additional retaliatory tax as a result of claiming the tax credit. The
2 tax credit may fully offset any retaliatory tax imposed under Nebraska
3 law. Any tax credit claimed shall be considered a payment of tax for
4 purposes of subsection (1) of section 77-2734.03.

5 Sec. 16. If a portion of any federal low-income housing tax credits
6 taken on a qualified project is required to be recaptured or is otherwise
7 disallowed under 26 U.S.C. 42 during the 6-year period described in
8 subsection (2) of section 13 of this act, a portion of the Nebraska
9 affordable housing tax credits with respect to such project shall also be
10 recaptured from the qualified taxpayer who claimed such credits. The
11 percentage of Nebraska affordable housing tax credits subject to
12 recapture under this section shall be equal to the percentage of federal
13 low-income housing tax credits subject to recapture or otherwise
14 disallowed during such period. Any Nebraska affordable housing tax
15 credits recaptured or disallowed under this section shall be considered
16 income to the qualified taxpayer who claimed the credits in a like
17 amount, and such income shall be recognized by the qualified taxpayer in
18 the year the Department of Revenue declares the tax credits to be
19 disallowed or recaptured.

20 Sec. 17. The authority and the Department of Revenue may adopt and
21 promulgate rules and regulations to carry out the Affordable Housing Tax
22 Credit Act.

23 Sec. 18. Section 77-908, Revised Statutes Cumulative Supplement,
24 2014, is amended to read:

25 77-908 Every insurance company organized under the stock, mutual,
26 assessment, or reciprocal plan, except fraternal benefit societies, which
27 is transacting business in this state shall, on or before March 1 of each
28 year, pay a tax to the director of one percent of the gross amount of
29 direct writing premiums received by it during the preceding calendar year
30 for business done in this state, except that (1) for group sickness and
31 accident insurance the rate of such tax shall be five-tenths of one

1 percent and (2) for property and casualty insurance, excluding individual
2 sickness and accident insurance, the rate of such tax shall be one
3 percent. A captive insurer authorized under the Captive Insurers Act that
4 is transacting business in this state shall, on or before March 1 of each
5 year, pay to the director a tax of one-fourth of one percent of the gross
6 amount of direct writing premiums received by such insurer during the
7 preceding calendar year for business transacted in the state. The taxable
8 premiums shall include premiums paid on the lives of persons residing in
9 this state and premiums paid for risks located in this state whether the
10 insurance was written in this state or not, including that portion of a
11 group premium paid which represents the premium for insurance on Nebraska
12 residents or risks located in Nebraska included within the group when the
13 number of lives in the group exceeds five hundred. The tax shall also
14 apply to premiums received by domestic companies for insurance written on
15 individuals residing outside this state or risks located outside this
16 state if no comparable tax is paid by the direct writing domestic company
17 to any other appropriate taxing authority. Companies whose scheme of
18 operation contemplates the return of a portion of premiums to
19 policyholders, without such policyholders being claimants under the terms
20 of their policies, may deduct such return premiums or dividends from
21 their gross premiums for the purpose of tax calculations. Any such
22 insurance company shall receive a credit on the tax imposed as provided
23 in the Community Development Assistance Act, the Nebraska Job Creation
24 and Mainstreet Revitalization Act, ~~and~~ the New Markets Job Growth
25 Investment Act, and the Affordable Housing Tax Credit Act.

26 Sec. 19. Section 77-2715.07, Revised Statutes Supplement, 2015, is
27 amended to read:

28 77-2715.07 (1) There shall be allowed to qualified resident
29 individuals as a nonrefundable credit against the income tax imposed by
30 the Nebraska Revenue Act of 1967:

31 (a) A credit equal to the federal credit allowed under section 22 of

1 the Internal Revenue Code; and

2 (b) A credit for taxes paid to another state as provided in section
3 77-2730.

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

6 (a) For returns filed reporting federal adjusted gross incomes of
7 greater than twenty-nine thousand dollars, a nonrefundable credit equal
8 to twenty-five percent of the federal credit allowed under section 21 of
9 the Internal Revenue Code of 1986, as amended, except that for taxable
10 years beginning or deemed to begin on or after January 1, 2015, such
11 nonrefundable credit shall be allowed only if the individual would have
12 received the federal credit allowed under section 21 of the code after
13 adding back in any carryforward of a net operating loss that was deducted
14 pursuant to such section in determining eligibility for the federal
15 credit;

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

31 (c) A refundable credit as provided in section 77-5209.01 for

1 individuals who qualify for an income tax credit as a qualified beginning
2 farmer or livestock producer under the Beginning Farmer Tax Credit Act
3 for all taxable years beginning or deemed to begin on or after January 1,
4 2006, under the Internal Revenue Code of 1986, as amended;

5 (d) A refundable credit for individuals who qualify for an income
6 tax credit under the Angel Investment Tax Credit Act, the Nebraska
7 Advantage Microenterprise Tax Credit Act, or the Nebraska Advantage
8 Research and Development Act; and

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

17 (3) There shall be allowed to all individuals as a nonrefundable
18 credit against the income tax imposed by the Nebraska Revenue Act of
19 1967:

20 (a) A credit for personal exemptions allowed under section
21 77-2716.01;

22 (b) A credit for contributions to certified community betterment
23 programs as provided in the Community Development Assistance Act. Each
24 partner, each shareholder of an electing subchapter S corporation, each
25 beneficiary of an estate or trust, or each member of a limited liability
26 company shall report his or her share of the credit in the same manner
27 and proportion as he or she reports the partnership, subchapter S
28 corporation, estate, trust, or limited liability company income;

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

31 (d) A credit as provided in the New Markets Job Growth Investment

1 Act;~~and~~

2 (e) A credit as provided in the Nebraska Job Creation and Mainstreet
3 Revitalization Act; and -

4 (f) A credit as provided in the Affordable Housing Tax Credit Act.

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

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

9 (b) A credit to all estates and trusts for contributions to
10 certified community betterment programs as provided in the Community
11 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 (4) 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 Sec. 20. Section 77-2717, Revised Statutes Cumulative Supplement,
16 2014, is amended to read:

17 77-2717 (1)(a)(i) For taxable years beginning or deemed to begin
18 before January 1, 2014, the tax imposed on all resident estates and
19 trusts shall be a percentage of the federal taxable income of such
20 estates and trusts as modified in section 77-2716, plus a percentage of
21 the federal alternative minimum tax and the federal tax on premature or
22 lump-sum distributions from qualified retirement plans. The additional
23 taxes shall be recomputed by (A) substituting Nebraska taxable income for
24 federal taxable income, (B) calculating what the federal alternative
25 minimum tax would be on Nebraska taxable income and adjusting such
26 calculations for any items which are reflected differently in the
27 determination of federal taxable income, and (C) applying Nebraska rates
28 to the result. The federal credit for prior year minimum tax, after the
29 recomputations required by the Nebraska Revenue Act of 1967, and the
30 credits provided in the Nebraska Advantage Microenterprise Tax Credit Act
31 and the Nebraska Advantage Research and Development Act shall be allowed

1 as a reduction in the income tax due. A refundable income tax credit
2 shall be allowed for all resident estates and trusts under the Angel
3 Investment Tax Credit Act, the Nebraska Advantage Microenterprise Tax
4 Credit Act, and the Nebraska Advantage Research and Development Act. A
5 nonrefundable income tax credit shall be allowed for all resident estates
6 and trusts as provided in the New Markets Job Growth Investment Act.

7 (ii) For taxable years beginning or deemed to begin on or after
8 January 1, 2014, the tax imposed on all resident estates and trusts shall
9 be a percentage of the federal taxable income of such estates and trusts
10 as modified in section 77-2716, plus a percentage of the federal tax on
11 premature or lump-sum distributions from qualified retirement plans. The
12 additional taxes shall be recomputed by substituting Nebraska taxable
13 income for federal taxable income and applying Nebraska rates to the
14 result. The credits provided in the Nebraska Advantage Microenterprise
15 Tax Credit Act and the Nebraska Advantage Research and Development Act
16 shall be allowed as a reduction in the income tax due. A refundable
17 income tax credit shall be allowed for all resident estates and trusts
18 under the Angel Investment Tax Credit Act, the Nebraska Advantage
19 Microenterprise Tax Credit Act, and the Nebraska Advantage Research and
20 Development Act. A nonrefundable income tax credit shall be allowed for
21 all resident estates and trusts as provided in the Nebraska Job Creation
22 and Mainstreet Revitalization Act, ~~and~~ the New Markets Job Growth
23 Investment Act, and the Affordable Housing Tax Credit Act.

24 (b) The tax imposed on all nonresident estates and trusts shall be
25 the portion of the tax imposed on resident estates and trusts which is
26 attributable to the income derived from sources within this state. The
27 tax which is attributable to income derived from sources within this
28 state shall be determined by multiplying the liability to this state for
29 a resident estate or trust with the same total income by a fraction, the
30 numerator of which is the nonresident estate's or trust's Nebraska income
31 as determined by sections 77-2724 and 77-2725 and the denominator of

1 which is its total federal income after first adjusting each by the
2 amounts provided in section 77-2716. The federal credit for prior year
3 minimum tax, after the recomputations required by the Nebraska Revenue
4 Act of 1967, reduced by the percentage of the total income which is
5 attributable to income from sources outside this state, and the credits
6 provided in the Nebraska Advantage Microenterprise Tax Credit Act and the
7 Nebraska Advantage Research and Development Act shall be allowed as a
8 reduction in the income tax due. A refundable income tax credit shall be
9 allowed for all nonresident estates and trusts under the Angel Investment
10 Tax Credit Act, the Nebraska Advantage Microenterprise Tax Credit Act,
11 and the Nebraska Advantage Research and Development Act. A nonrefundable
12 income tax credit shall be allowed for all nonresident estates and trusts
13 as provided in the Nebraska Job Creation and Mainstreet Revitalization
14 Act, ~~and~~ the New Markets Job Growth Investment Act, and the Affordable
15 Housing Tax Credit Act.

16 (2) In all instances wherein a fiduciary income tax return is
17 required under the provisions of the Internal Revenue Code, a Nebraska
18 fiduciary return shall be filed, except that a fiduciary return shall not
19 be required to be filed regarding a simple trust if all of the trust's
20 beneficiaries are residents of the State of Nebraska, all of the trust's
21 income is derived from sources in this state, and the trust has no
22 federal tax liability. The fiduciary shall be responsible for making the
23 return for the estate or trust for which he or she acts, whether the
24 income be taxable to the estate or trust or to the beneficiaries thereof.
25 The fiduciary shall include in the return a statement of each
26 beneficiary's distributive share of net income when such income is
27 taxable to such beneficiaries.

28 (3) The beneficiaries of such estate or trust who are residents of
29 this state shall include in their income their proportionate share of
30 such estate's or trust's federal income and shall reduce their Nebraska
31 tax liability by their proportionate share of the credits as provided in

1 the Angel Investment Tax Credit Act, the Nebraska Advantage
2 Microenterprise Tax Credit Act, the Nebraska Advantage Research and
3 Development Act, the Nebraska Job Creation and Mainstreet Revitalization
4 Act, ~~and~~ the New Markets Job Growth Investment Act, and the Affordable
5 Housing Tax Credit Act. There shall be allowed to a beneficiary a
6 refundable income tax credit under the Beginning Farmer Tax Credit Act
7 for all taxable years beginning or deemed to begin on or after January 1,
8 2001, under the Internal Revenue Code of 1986, as amended.

9 (4) If any beneficiary of such estate or trust is a nonresident
10 during any part of the estate's or trust's taxable year, he or she shall
11 file a Nebraska income tax return which shall include (a) in Nebraska
12 adjusted gross income that portion of the estate's or trust's Nebraska
13 income, as determined under sections 77-2724 and 77-2725, allocable to
14 his or her interest in the estate or trust and (b) a reduction of the
15 Nebraska tax liability by his or her proportionate share of the credits
16 as provided in the Angel Investment Tax Credit Act, the Nebraska
17 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research
18 and Development Act, the Nebraska Job Creation and Mainstreet
19 Revitalization Act, ~~and~~ the New Markets Job Growth Investment Act, and
20 the Affordable Housing Tax Credit Act and shall execute and forward to
21 the fiduciary, on or before the original due date of the Nebraska
22 fiduciary return, an agreement which states that he or she will file a
23 Nebraska income tax return and pay income tax on all income derived from
24 or connected with sources in this state, and such agreement shall be
25 attached to the Nebraska fiduciary return for such taxable year.

26 (5) In the absence of the nonresident beneficiary's executed
27 agreement being attached to the Nebraska fiduciary return, the estate or
28 trust shall remit a portion of such beneficiary's income which was
29 derived from or attributable to Nebraska sources with its Nebraska return
30 for the taxable year. For taxable years beginning or deemed to begin
31 before January 1, 2013, the amount of remittance, in such instance, shall

1 be the highest individual income tax rate determined under section
2 77-2715.02 multiplied by the nonresident beneficiary's share of the
3 estate or trust income which was derived from or attributable to sources
4 within this state. For taxable years beginning or deemed to begin on or
5 after January 1, 2013, the amount of remittance, in such instance, shall
6 be the highest individual income tax rate determined under section
7 77-2715.03 multiplied by the nonresident beneficiary's share of the
8 estate or trust income which was derived from or attributable to sources
9 within this state. The amount remitted shall be allowed as a credit
10 against the Nebraska income tax liability of the beneficiary.

11 (6) The Tax Commissioner may allow a nonresident beneficiary to not
12 file a Nebraska income tax return if the nonresident beneficiary's only
13 source of Nebraska income was his or her share of the estate's or trust's
14 income which was derived from or attributable to sources within this
15 state, the nonresident did not file an agreement to file a Nebraska
16 income tax return, and the estate or trust has remitted the amount
17 required by subsection (5) of this section on behalf of such nonresident
18 beneficiary. The amount remitted shall be retained in satisfaction of the
19 Nebraska income tax liability of the nonresident beneficiary.

20 (7) For purposes of this section, unless the context otherwise
21 requires, simple trust shall mean any trust instrument which (a) requires
22 that all income shall be distributed currently to the beneficiaries, (b)
23 does not allow amounts to be paid, permanently set aside, or used in the
24 tax year for charitable purposes, and (c) does not distribute amounts
25 allocated in the corpus of the trust. Any trust which does not qualify as
26 a simple trust shall be deemed a complex trust.

27 (8) For purposes of this section, any beneficiary of an estate or
28 trust that is a grantor trust of a nonresident shall be disregarded and
29 this section shall apply as though the nonresident grantor was the
30 beneficiary.

31 Sec. 21. Section 77-2734.03, Revised Statutes Cumulative Supplement,

1 2014, is amended to read:

2 77-2734.03 (1)(a) For taxable years commencing prior to January 1,
3 1997, any (i) insurer paying a tax on premiums and assessments pursuant
4 to section 77-908 or 81-523, (ii) electric cooperative organized under
5 the Joint Public Power Authority Act, or (iii) credit union shall be
6 credited, in the computation of the tax due under the Nebraska Revenue
7 Act of 1967, with the amount paid during the taxable year as taxes on
8 such premiums and assessments and taxes in lieu of intangible tax.

9 (b) For taxable years commencing on or after January 1, 1997, any
10 insurer paying a tax on premiums and assessments pursuant to section
11 77-908 or 81-523, any electric cooperative organized under the Joint
12 Public Power Authority Act, or any credit union shall be credited, in the
13 computation of the tax due under the Nebraska Revenue Act of 1967, with
14 the amount paid during the taxable year as (i) taxes on such premiums and
15 assessments included as Nebraska premiums and assessments under section
16 77-2734.05 and (ii) taxes in lieu of intangible tax.

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

24 (2) There shall be allowed to corporate taxpayers a tax credit for
25 contributions to community betterment programs as provided in the
26 Community Development Assistance Act.

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

31 (4) The changes made to this section by Laws 2004, LB 983, apply to

1 motor fuels purchased during any tax year ending or deemed to end on or
2 after January 1, 2005, under the Internal Revenue Code of 1986, as
3 amended.

4 (5) There shall be allowed to corporate taxpayers refundable income
5 tax credits under the Nebraska Advantage Microenterprise Tax Credit Act
6 and the Nebraska Advantage Research and Development Act.

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

10 (7) There shall be allowed to corporate taxpayers a nonrefundable
11 income tax credit as provided in the Nebraska Job Creation and Mainstreet
12 Revitalization Act, ~~and~~ the New Markets Job Growth Investment Act, and
13 the Affordable Housing Tax Credit Act.

14 Sec. 22. Section 77-3806, Revised Statutes Cumulative Supplement,
15 2014, is amended to read:

16 77-3806 (1) The tax return shall be filed and the total amount of
17 the franchise tax shall be due on the fifteenth day of the third month
18 after the end of the taxable year. No extension of time to pay the tax
19 shall be granted. If the Tax Commissioner determines that the amount of
20 tax can be computed from available information filed by the financial
21 institutions with either state or federal regulatory agencies, the Tax
22 Commissioner may, by regulation, waive the requirement for the financial
23 institutions to file returns.

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

30 (3) No refund of the tax imposed by section 77-3802 shall be allowed
31 unless a claim for such refund is filed within ninety days of the date on

1 which (a) the tax is due or was paid, whichever is later, ~~or~~ (b) a change
2 is made to the amount of deposits or the net financial income of the
3 financial institution by a state or federal regulatory agency, or (c) the
4 Nebraska Investment Finance Authority issues an eligibility statement to
5 the financial institution pursuant to the Affordable Housing Tax Credit
6 Act.

7 (4) Any such financial institution shall receive a credit on the
8 franchise tax as provided under the Affordable Housing Tax Credit Act,
9 the Community Development Assistance Act, the Nebraska Job Creation and
10 Mainstreet Revitalization Act, and the New Markets Job Growth Investment
11 Act.

12 Sec. 23. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 25 of this act
13 become operative on October 1, 2016. The other sections of this act
14 become operative on their effective date.

15 Sec. 24. Original sections 77-908, 77-2717, 77-2734.03, and
16 77-3806, Revised Statutes Cumulative Supplement, 2014, and section
17 77-2715.07, Revised Statutes Supplement, 2015, are repealed.

18 Sec. 25. Original sections 13-2603, 13-2604, 13-2605, 13-3102,
19 13-3103, 13-3104, and 13-3106, Reissue Revised Statutes of Nebraska,
20 section 13-2709, Revised Statutes Cumulative Supplement, 2014, and
21 sections 13-2610 and 13-3108, Revised Statutes Supplement, 2015, are
22 repealed.