

NEBRASKA

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DEPARTMENT OF REVENUE

LB 403 Annual Report to the Legislature Tax Commissioner Tony Fulton

January 31, 2017

Reporting Requirement

[Neb. Rev. Stat. § 4-113](#). Each state agency which administers any program of public benefits shall provide an annual report not later than January 31 for the prior year to the Governor and the Clerk of the Legislature with respect to compliance with sections 4-108 to 4-113 of this act. The report shall include, but not be limited to, the total number of applicants for benefits and the number of applicants rejected pursuant to such sections.

Previous LB 403 Annual Reports from the Nebraska Department of Revenue can be found on the [Department's website](#).

Nebraska Advantage Programs

The Nebraska Advantage Act, the Nebraska Advantage Rural Development Act, and the Nebraska Advantage Microenterprise Tax Credit Act require a taxpayer to file an application to describe a project and to request participation in the incentive program. The applications and application guides include the requirement that the work eligibility of all newly-hired employees in Nebraska must be verified. For applications filed on or after October 1, 2009, the taxpayer is required to provide proof of registration for E-Verify, the federal electronic verification program. In some cases, the application date was delayed until the applicant documented the registration process.

The utilization of the E-Verify program for new employees has been confirmed for qualified projects with an application date on or after October 1, 2009. The Department audits the use of the E-Verify program and the eligibility of the newly-hired Nebraska employees when each project attains the minimum required levels of investment and employment necessary for benefits. In the qualification audits, the audit testing confirmed that no benefits were allowed for employees that were not properly verified. Corrections were made for subsequent years for employees which were not properly verified.

Nebraska Advantage Applications Dated January 1, 2016 to December 31, 2016		
	Applications Received	Applications Rejected Due to E-Verify
Nebraska Advantage Act	57	0
Nebraska Advantage Rural Development Act	9	0
Nebraska Advantage Microenterprise Tax Credit Act	144	0

The Nebraska Department of Revenue's (Department's) website notifies taxpayers planning to claim the Nebraska Advantage Research and Development Credit of the requirement to use E-Verify to confirm the work eligibility of all newly-hired employees employed in Nebraska.

The Research Tax Credit Worksheet, Form 3800N Worksheet RD, includes several questions asking claimants to confirm that they are using E-Verify for newly-hired employees. The utilization of the E-Verify program for new employees is not confirmed at the time the return is processed. The Department audits this process after returns claiming the credit have been processed.

Nebraska Advantage Returns Processed January 1, 2016 to December 31, 2016		
	Returns Processed	Returns Rejected
Nebraska Advantage Research & Development Credit Act	183	7

Nebraska Advantage Act Links (relating to requirements in LB 403):

- [Nebraska Advantage Act Application Guide](#)
- [Nebraska Advantage Rural Development Act Application Guide](#)
- Nebraska Advantage Microenterprise Tax Credit Act Application Guide *(not yet available)*
- [Nebraska Advantage Act E-Verify Notice](#)
- [Nebraska Advantage Act Research Tax Credit Worksheet, Form 3800N, Worksheet RD](#)

Charitable Gaming, Nebraska Lottery, and Nebraska Athletic Commission

The Charitable Gaming Division requires any new applicants for a county/city lottery worker license, utilization of funds member license, sales agent license, or gaming manager license to include the information required by the U.S. Citizenship Attestation Form.

The Nebraska Lottery requires all applicants for a retailer's contract who are individuals or sole proprietors to complete and submit the U.S. Citizenship Attestation Form.

The Nebraska Athletic Commission requires applicants for all licenses (contestants, seconds, judges, referees, physicians, and matchmakers) to complete and submit the U.S. Citizenship Attestation Form.

Gaming, Lottery, and Athletic Commission Applications January 1, 2016 to December 31, 2016		
	Applications Received	Applications Rejected
Charitable Gaming	191	0
Nebraska Lottery	55	0
Nebraska Athletic Commission	405	0

Charitable Gaming, Nebraska Lottery, and Nebraska Athletic Commission Links (relating to requirements of LB 403):

- [Charitable Gaming Division Homepage](#)
- [Nebraska Lottery Legislative Update on LB 403](#)
- [Nebraska County/City Lottery Worker Application, Schedule III, Form 50G](#)
- [Nebraska Athletic Commission Homepage](#)

Property Assessment - Homestead Tax Exemption

The Property Assessment Division requires all applicants for the homestead exemption to attest to their U.S. citizenship or provide their immigration status and alien number. The attestation is included on the Nebraska Homestead Exemption Application, Form 458.

Homestead exemption applications are filed after February 1 and by June 30 each year. All alien numbers are verified with U.S. Citizenship and Immigration Services of the Department of Homeland Security.

Homestead Applications January 1, 2016 to December 31, 2016		
	Applications Received	Applications Rejected
Property Assessment	52,612	0

Property Assessment Division Link (relating to requirements of LB 403):

- [Nebraska Homestead Exemption Application or Certification of Status, Form 458](#) (2017 form will be available on February 2, 2017)