

AMENDMENTS TO LB 1010

Introduced by Revenue Committee:

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

3 Section 1. Section 77-27,230, Revised Statutes
4 Supplement, 2005, is amended to read:

5 77-27,230 (1) A resident individual shall be allowed a
6 credit against the income tax due under the Nebraska Revenue Act of
7 1967 in an amount equal to ~~thirty~~ fifteen percent of the present
8 value of the aggregate amount of the charitable gift portion of
9 a planned gift made by the individual during the tax year to any
10 qualified endowment. The maximum credit per individual per tax year
11 is ~~ten~~ five thousand dollars. The credit allowed under this section
12 shall not exceed the taxpayer's income tax liability.

13 ~~(2) The credit allowed under this section cannot~~
14 ~~be claimed to the extent that the taxpayer has included the~~
15 ~~contribution upon which the amount of the credit was computed as a~~
16 ~~deduction on his or her state income tax return.~~

17 ~~(3)~~ (2) The credit cannot be carried back or forward, and
18 the credit shall be applied to the tax year in which the planned
19 gift is made.

20 Sec. 2. Section 77-27,231, Revised Statutes Supplement,
21 2005, is amended to read:

22 77-27,231 A contribution to a qualified endowment by
23 a small business corporation, partnership, or limited liability

1 company carrying on any trade or business for which deductions
2 would be allowed under section 162 of the Internal Revenue Code
3 or carrying on any rental activity qualifies for the credit
4 provided in section 77-27,230. The credit shall be attributed to
5 shareholders, partners, or members in the same proportion used
6 to report the corporation's, partnership's, or limited liability
7 company's income or loss for income tax purposes. The maximum
8 credit per shareholder, partner, or member per tax year is ~~ten~~ five
9 thousand dollars. ~~subject to the limitation in subsection (2) of~~
10 ~~section 77-27,230.~~ The credit allowed under this section may not
11 exceed the taxpayer's income tax liability. The credit cannot be
12 carried back or forward, and the credit shall be applied to the tax
13 year in which the contribution is made.

14 Sec. 3. Section 77-27,232, Revised Statutes Supplement,
15 2005, is amended to read:

16 77-27,232 A corporation shall be allowed a credit against
17 the income tax due under the Nebraska Revenue Act of 1967 in an
18 amount equal to ~~twenty~~ ten percent of any contribution made by the
19 corporation to a qualified endowment. The maximum credit that may
20 be claimed by a corporation for contributions made per tax year
21 under this section is ~~ten~~ five thousand dollars. The credit allowed
22 under this section shall not exceed the taxpayer's income tax
23 liability. ~~The credit allowed under this section cannot be claimed~~
24 ~~to the extent that the taxpayer has included the contribution upon~~
25 ~~which the amount of the credit was computed as a deduction on~~
26 ~~its state income tax return.~~ The credit cannot be carried back or
27 forward, and the credit shall be applied to the tax year in which

1 the contribution is made.

2 Sec. 4. Section 77-27,233, Revised Statutes Supplement,
3 2005, is amended to read:

4 77-27,233 A contribution to a qualified endowment by a
5 resident estate or trust qualifies for the credit provided in
6 section 77-27,230 if the contribution is a planned gift or in
7 section 77-27,232 if the contribution is an outright gift to a
8 qualified endowment. Any credit not used by the estate or trust
9 may be attributed to each beneficiary of the estate or trust in
10 the same proportion used to report the beneficiary's income from
11 the estate or trust for Nebraska income tax purposes. The maximum
12 credit per beneficiary is ~~ten~~ five thousand dollars, ~~subject to the~~
13 ~~limitation in subsection (2) of section 77-27,230,~~ and the credit
14 can only be claimed in the tax year in which the contribution is
15 made. The credit cannot be carried back or forward.

16 Sec. 5. This act becomes operative for taxable years
17 beginning or deemed to begin on or after January 1, 2006, under the
18 Internal Revenue Code of 1986, as amended.

19 Sec. 6. Original sections 77-27,230, 77-27,231,
20 77-27,232, and 77-27,233, Revised Statutes Supplement, 2005, are
21 repealed.