

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 1046

Introduced by Burling, 33.

Read first time January 18, 2008

Committee: Revenue

A BILL

1 FOR AN ACT relating to the Nebraska Advantage Rural Development
2 Act; to amend section 77-27,187.02, Revised Statutes
3 Supplement, 2007; to change application provisions; to
4 repeal the original section; and to declare an emergency.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-27,187.02, Revised Statutes
2 Supplement, 2007, is amended to read:

3 77-27,187.02 (1) To earn the incentives set forth in the
4 Nebraska Advantage Rural Development Act, the taxpayer shall file
5 an application for an agreement with the Tax Commissioner.

6 (2) The application shall contain:

7 (a) A written statement describing the full expected
8 employment or type of livestock production and the investment
9 amount for a qualified business, as described in section 77-27,189,
10 in this state;

11 (b) Sufficient documents, plans, and specifications as
12 required by the Tax Commissioner to support the plan and to define
13 a project; and

14 (c) An application fee of five hundred dollars. The fee
15 shall be remitted to the State Treasurer for credit to the Nebraska
16 Advantage Rural Development Fund, which fund is hereby created. Any
17 money in the fund available for investment shall be invested by the
18 state investment officer pursuant to the Nebraska Capital Expansion
19 Act and the Nebraska State Funds Investment Act. The application
20 and all supporting information shall be confidential except for the
21 name of the taxpayer, the location of the project, and the amounts
22 of increased employment or investment.

23 (3) (a) The Tax Commissioner shall approve the application
24 and authorize the total amount of credits expected to be earned as
25 a result of the project if he or she is satisfied that the plan in

1 the application defines a project that (i) meets the requirements
2 established in section 77-27,188 and such requirements will be
3 reached within the required time period and (ii) for projects other
4 than livestock modernization or expansion projects, is located in
5 an eligible county or enterprise zone.

6 (b) The Tax Commissioner shall not approve further
7 applications once the expected credits from the approved projects
8 total two million five hundred thousand dollars in each of fiscal
9 years 2004-05 and 2005-06, ~~and~~ three million dollars in fiscal
10 year years 2006-07 and 2007-08, and four million dollars in fiscal
11 year 2008-09 and each fiscal year thereafter. Four hundred dollars
12 of the application fee shall be refunded to the applicant if
13 the application is not approved because the expected credits from
14 approved projects exceed such amounts.

15 (c) Applications for benefits shall be considered in the
16 order in which they are received.

17 (d) Applications shall be filed by November 1 and shall
18 be complete by December 1 of each calendar year. Any application
19 that is filed after November 1 or that is not complete on December
20 1 shall be considered to be filed during the following calendar
21 year.

22 (4) After approval, the taxpayer and the Tax Commissioner
23 shall enter into a written agreement. The taxpayer shall agree
24 to complete the project, and the Tax Commissioner, on behalf of
25 the State of Nebraska, shall designate the approved plans of the

1 taxpayer as a project and, in consideration of the taxpayer's
2 agreement, agree to allow the taxpayer to use the incentives
3 contained in the Nebraska Advantage Rural Development Act up to
4 the total amount that were authorized by the Tax Commissioner
5 at the time of approval. The application, and all supporting
6 documentation, to the extent approved, shall be considered a part
7 of the agreement. The agreement shall state:

8 (a) The levels of employment and investment required by
9 the act for the project;

10 (b) The time period under the act in which the required
11 level must be met;

12 (c) The documentation the taxpayer will need to supply
13 when claiming an incentive under the act;

14 (d) The date the application was filed; and

15 (e) The maximum amount of credits authorized.

16 Sec. 2. Original section 77-27,187.02, Revised Statutes
17 Supplement, 2007, is repealed.

18 Sec. 3. Since an emergency exists, this act takes effect
19 when passed and approved according to law.