

AMENDMENTS TO LB322

Introduced by Revenue.

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

3 Section 1. Section 77-2715.07, Revised Statutes Cumulative
4 Supplement, 2014, is amended to read:

5 77-2715.07 (1) There shall be allowed to qualified resident
6 individuals as a nonrefundable credit against the income tax imposed by
7 the Nebraska Revenue Act of 1967:

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

10 (b) A credit for taxes paid to another state as provided in section
11 77-2730.

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

14 (a) For returns filed reporting federal adjusted gross incomes of
15 greater than fifty-two ~~twenty-nine~~ thousand dollars, a nonrefundable
16 credit equal to thirty ~~twenty-five~~ percent of the federal credit allowed
17 under section 21 of the Internal Revenue Code of 1986, as amended, except
18 that for taxable years beginning or deemed to begin on or after January
19 1, 2016, such nonrefundable credit shall be allowed only if the
20 individual would have received the federal credit allowed under section
21 21 of the code after adding back in any carryforward of a net operating
22 loss that was deducted pursuant to such section in determining
23 eligibility for the federal credit;

24 (b) For returns filed reporting federal adjusted gross income of
25 fifty-two ~~twenty-nine~~ thousand dollars or less, a refundable credit equal
26 to a percentage of the federal credit allowable under section 21 of the
27 Internal Revenue Code of 1986, as amended, whether or not the federal

1 credit was limited by the federal tax liability. The percentage of the
2 federal credit shall be one hundred percent for incomes not greater than
3 thirty-two ~~twenty-two~~ thousand dollars, and the percentage shall be
4 reduced by three and one-half ~~ten~~ percent for each one thousand dollars,
5 or fraction thereof, by which the reported federal adjusted gross income
6 exceeds thirty-two ~~twenty-two~~ thousand dollars, except that for taxable
7 years beginning or deemed to begin on or after January 1, 2016, such
8 refundable credit shall be allowed only if the individual would have
9 received the federal credit allowed under section 21 of the code after
10 adding back in any carryforward of a net operating loss that was deducted
11 pursuant to such section in determining eligibility for the federal
12 credit;

13 (c) A refundable credit as provided in section 77-5209.01 for
14 individuals who qualify for an income tax credit as a qualified beginning
15 farmer or livestock producer under the Beginning Farmer Tax Credit Act
16 for all taxable years beginning or deemed to begin on or after January 1,
17 2006, under the Internal Revenue Code of 1986, as amended;

18 (d) A refundable credit for individuals who qualify for an income
19 tax credit under the Angel Investment Tax Credit Act, the Nebraska
20 Advantage Microenterprise Tax Credit Act, or the Nebraska Advantage
21 Research and Development Act; and

22 (e) A refundable credit equal to ten percent of the federal credit
23 allowed under section 32 of the Internal Revenue Code of 1986, as
24 amended.

25 (3) There shall be allowed to all individuals as a nonrefundable
26 credit against the income tax imposed by the Nebraska Revenue Act of
27 1967:

28 (a) A credit for personal exemptions allowed under section
29 77-2716.01;

30 (b) A credit for contributions to certified community betterment
31 programs as provided in the Community Development Assistance Act. Each

1 partner, each shareholder of an electing subchapter S corporation, each
2 beneficiary of an estate or trust, or each member of a limited liability
3 company shall report his or her share of the credit in the same manner
4 and proportion as he or she reports the partnership, subchapter S
5 corporation, estate, trust, or limited liability company income;

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

8 (d) A credit as provided in the New Markets Job Growth Investment
9 Act; and

10 (e) A credit as provided in the Nebraska Job Creation and Mainstreet
11 Revitalization Act.

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

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

16 (b) A credit to all estates and trusts for contributions to
17 certified community betterment programs as provided in the Community
18 Development Assistance Act; and

19 (c) A refundable credit for individuals who qualify for an income
20 tax credit as an owner of agricultural assets under the Beginning Farmer
21 Tax Credit Act for all taxable years beginning or deemed to begin on or
22 after January 1, 2009, under the Internal Revenue Code of 1986, as
23 amended. The credit allowed for each partner, shareholder, member, or
24 beneficiary of a partnership, corporation, limited liability company, or
25 estate or trust qualifying for an income tax credit as an owner of
26 agricultural assets under the Beginning Farmer Tax Credit Act shall be
27 equal to the partner's, shareholder's, member's, or beneficiary's portion
28 of the amount of tax credit distributed pursuant to subsection (4) of
29 section 77-5211.

30 (5)(a) For all taxable years beginning on or after January 1, 2007,
31 and before January 1, 2009, under the Internal Revenue Code of 1986, as

1 amended, there shall be allowed to each partner, shareholder, member, or
2 beneficiary of a partnership, subchapter S corporation, limited liability
3 company, or estate or trust a nonrefundable credit against the income tax
4 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the
5 partner's, shareholder's, member's, or beneficiary's portion of the
6 amount of franchise tax paid to the state under sections 77-3801 to
7 77-3807 by a financial institution.

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

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

22 Sec. 2. This act becomes operative for all taxable years beginning
23 or deemed to begin on or after January 1, 2016, under the Internal
24 Revenue Code of 1986, as amended.

25 Sec. 3. Original section 77-2715.07, Revised Statutes Cumulative
26 Supplement, 2014, is repealed.