

AMENDMENTS TO LB291

(Amendments to Standing Committee amendments, AM530)

Introduced by Larson, 40.

1 1. Strike amendment 1 and insert the following new amendments:

2 1. Strike original section 11 and insert the following new sections:

3 Sec. 11. (1) Each time applications are scored for purposes of
4 allocating federal low-income housing tax credits, the authority shall
5 give a bonus under its scoring system to the highest-scoring application
6 that involves a development located in a special economic impact zone as
7 defined in section 3 of this act. The bonus shall be equal to two percent
8 of the total number of points available under such scoring system.

9 (2) No more than one application per calendar year may be awarded an
10 allocation of federal low-income housing tax credits as a result of the
11 bonus provided in subsection (1) of this section.

12 Sec. 14. Section 77-2705.01, Revised Statutes Cumulative Supplement,
13 2016, is amended to read:

14 77-2705.01 (1) The Tax Commissioner may issue direct payment permits
15 to (a) any person who annually purchases at least three million dollars
16 of taxable property excluding purchases for which a resale certificate
17 could be used or (b) any qualified business as defined in section 3 of
18 this act.

19 (2)(a) An ~~(2)~~ The applicant described in subdivision (1)(a) of this
20 section for a direct payment permit shall apply for a direct payment
21 permit on a form prescribed by the Tax Commissioner. The applicant shall
22 pay a nonrefundable fee of ten dollars for processing the application.
23 The application shall include the agreement of the applicant to accrue
24 and pay to the Tax Commissioner on or before the twentieth day of the
25 month following the date of purchase, lease, or rental all sales and use
26 taxes on the taxable property purchased, leased, or rented by the

1 applicant unless the items are exempt from taxation and the tax paid will
2 be treated as a sales tax.

3 (b) An applicant described in subdivision (1)(b) of this section
4 shall apply for a direct payment permit on a form prescribed by the Tax
5 Commissioner. The application shall include the agreement of the
6 applicant to accrue and pay to the Tax Commissioner on or before the
7 twentieth day of the month following the date of purchase, lease, or
8 rental all sales and use taxes that are due after the applicant's total
9 purchases for the calendar year exceed the exempt amount provided in
10 section 6 of this act. The tax paid will be treated as a sales tax.

11 (c) The Tax Commissioner may require a description of the accounting
12 methods by which an applicant will differentiate between taxable and
13 exempt transactions.

14 (3) The Tax Commissioner may issue a direct payment permit to any
15 applicant who meets the requirements of subsections (1) and (2) of this
16 section. The direct payment permit shall become effective on the first
17 day of the month following approval of an application. The decision of
18 the Tax Commissioner under this section is not appealable. An applicant
19 who is denied a direct payment permit may submit an amended application
20 or reapply.

21 (4) A direct payment permit is not transferable.

22 (5) The holder of a direct payment permit is not entitled to any
23 collection fee otherwise payable to those who collect and remit sales and
24 use taxes.

25 2. On page 2, line 5, after "reservations" insert "and trust land";
26 after line 7 insert the following new subdivision:

27 "(2) Federally designated or established service area means a
28 geographic area designated by the United States where federal services
29 and benefits furnished to Indians and Indian tribes are provided or which
30 is otherwise designated to constitute an area on or near a reservation;"
31 in line 8 strike "(2)" and insert "(3)"; in line 9 strike "(3)" and

1 insert "(4)"; strike line 20 and insert the following new subdivision:

2 "(5) Reservation means Indian country as defined in 18 U.S.C. 1151
3 and any lands, not covered under such section, title to which is either
4 held by the United States in trust for the benefit of any Indian tribe or
5 individual or held by any Indian tribe or individual subject to a
6 restriction by the United States against alienation. Reservation does not
7 include a federally designated or established service area;"; in line 21
8 strike "(5)" and insert "(6)"; in line 23 strike "(6)" and insert "(7)";
9 and strike beginning with "each" in line 26 through line 28 and insert
10 "the following areas of this state are hereby established as special
11 economic impact zones:

12 (a) Each reservation in this state; and

13 (b) For any Indian tribe without a reservation in this state, the
14 trust land of such Indian tribe that lies within a federally designated
15 or established service area."

16 3. On page 3, strike beginning with "income" in line 6 through line
17 9 and insert "taxable income under the Nebraska Revenue Act of 1967,
18 exclude the portion of the Nebraska taxable income equal to the portion
19 of the sales of the qualified business that are sold or delivered from
20 within a special economic impact zone."; in line 12 strike "ten million"
21 and insert "two hundred fifty thousand"; and in line 13 after the period
22 insert "The qualified business shall make the eligible purchases exempt
23 from sales and use taxes using a direct payment permit issued under
24 section 77-2705.01."

25 4. Renumber the remaining sections, correct internal references, and
26 correct the repealer accordingly.