

AMENDMENTS TO LB937

Introduced by Revenue.

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

3 Sec. 24. Sections 24 to 33 of this act shall be known and may be
4 cited as the Nebraska Pregnancy Help Act.

5 Sec. 25. The Legislature finds and declares that:

6 (1) Pregnancy help organizations in the State of Nebraska and
7 nationwide provide under-supported pregnant women with services, free of
8 charge, that are crucial for their physical, emotional, and familial
9 wellbeing, including pregnancy testing, pregnancy and prenatal care
10 education, counseling, food, clothing, housing, transportation, parenting
11 and life skills classes, child care, licensed medical care, and referrals
12 to additional community services and material help;

13 (2) Pregnancy help organizations also provide personal relationships
14 and a strong local support network for such women and their families that
15 cannot be replicated by even the best and most effective government
16 programs; and

17 (3) It shall be the policy of the State of Nebraska, through the
18 creation of the Nebraska Pregnancy Help Act, to encourage and celebrate
19 pregnancy help organizations in this state and to incentivize private
20 donations for the furtherance of their good work through the creation of
21 a tax credit.

22 Sec. 26. For purposes of the Nebraska Pregnancy Help Act:

23 (1) Department means the Department of Revenue; and

24 (2) Eligible charitable organization means an organization that:

25 (a) Is exempt from federal income taxation under section 501(c)(3)
26 of the Internal Revenue Code of 1986, as amended;

27 (b) Does not receive more than seventy-five percent of its total

1 annual revenue from federal, state, or local governmental grants or
2 sources, either directly or as a contractor;

3 (c) Is a pregnancy help organization that:

4 (i) Regularly answers a dedicated telephone number for clients;

5 (ii) Maintains its physical office, clinic, or maternity home in the
6 State of Nebraska;

7 (iii) Offers services at no cost to the client for the express
8 purposes of providing assistance to women in order to carry their
9 pregnancies to term, encourage and enable parenting or adoption, prevent
10 abortion, and promote healthy childbirths; and

11 (iv) Utilizes licensed medical professionals for any medical
12 services offered;

13 (d) Does not provide, pay for, provide coverage of, refer for,
14 recommend, or promote abortions and does not financially support any
15 entity that provides, pays for, provides coverage of, refers for,
16 recommends, or promotes abortions, including nonsurgical abortions; and

17 (e) Is approved by the department pursuant to section 27 of this
18 act.

19 Sec. 27. (1) An organization seeking to become an eligible
20 charitable organization shall provide the department with a written
21 certification that it meets all criteria to be considered an eligible
22 charitable organization. The certification must be signed by an officer
23 of the organization under penalty of perjury. The certification shall
24 include the following:

25 (a) Verification of the organization's status under section 501(c)
26 (3) of the Internal Revenue Code of 1986, as amended;

27 (b) A statement that the organization does not receive more than
28 seventy-five percent of its total annual revenue from federal, state, or
29 local governmental grants or sources, either directly or as a contractor;

30 (c) A statement that the organization maintains its physical office,
31 clinic, or maternity home in the State of Nebraska; and

1 (d) A statement that the organization does not provide, pay for,
2 provide coverage of, refer for, recommend, or promote abortions and does
3 not financially support any entity that provides, pays for, provides
4 coverage of, refers for, recommends, or promotes abortions, including
5 nonsurgical abortions.

6 (2) The department shall review each written certification and
7 determine whether the organization meets all of the criteria to be
8 considered an eligible charitable organization and shall notify the
9 organization of its determination. Any organization whose certification
10 is approved under this section shall be considered an eligible charitable
11 organization.

12 (3) An organization shall notify the department within sixty days of
13 any changes that may affect its status as an eligible charitable
14 organization.

15 (4) The department may periodically request recertification from an
16 organization that was previously approved as an eligible charitable
17 organization under this section.

18 (5) The department shall compile and make available to the public a
19 list of eligible charitable organizations that have been approved under
20 this section.

21 Sec. 28. (1) An individual taxpayer who makes one or more cash
22 contributions to one or more eligible charitable organizations during a
23 tax year shall be eligible for a credit against the income tax due under
24 the Nebraska Revenue Act of 1967. Except as otherwise provided in the
25 Nebraska Pregnancy Help Act, the amount of the credit shall be equal to
26 the lesser of (a) the total amount of such contributions made during the
27 tax year or (b) fifty percent of the income tax liability of such
28 taxpayer for the tax year. A taxpayer may only claim a credit pursuant to
29 this section for the portion of the contribution that was not claimed as
30 a charitable contribution under the Internal Revenue Code of 1986, as
31 amended.

1 (2) Taxpayers who are married but file separate returns for a tax
2 year in which they could have filed a joint return may each claim only
3 one-half of the tax credit that would otherwise have been allowed for a
4 joint return.

5 (3) The tax credit allowed under this section shall be a
6 nonrefundable credit. Any amount of the credit that is unused may be
7 carried forward and applied against the taxpayer's income tax liability
8 for the next five years immediately following the tax year in which the
9 credit is first allowed. The tax credit cannot be carried back.

10 (4) The tax credit allowed under this section is subject to section
11 32 of this act.

12 Sec. 29. (1) Any partnership, limited liability company, or
13 corporation having an election in effect under subchapter S of the
14 Internal Revenue Code of 1986, as amended, that is carrying on any trade
15 or business for which deductions would be allowed under section 162 of
16 the Internal Revenue Code of 1986, as amended, or is carrying on any
17 rental activity, and that makes one or more cash contributions to one or
18 more eligible charitable organizations during a tax year shall be
19 eligible for a credit against the income tax due under the Nebraska
20 Revenue Act of 1967. Except as otherwise provided in the Nebraska
21 Pregnancy Help Act, the amount of the credit shall be equal to the lesser
22 of (a) the total amount of such contributions made during the tax year or
23 (b) fifty percent of the income tax liability of such taxpayer for the
24 tax year. A taxpayer may only claim a credit pursuant to this section for
25 the portion of the contribution that was not claimed as a charitable
26 contribution under the Internal Revenue Code of 1986, as amended. The
27 credit shall be attributed to each partner, member, or shareholder in the
28 same proportion used to report the partnership's, limited liability
29 company's, or subchapter S corporation's income or loss for income tax
30 purposes.

31 (2) The tax credit allowed under this section shall be a

1 nonrefundable credit. Any amount of the tax credit that is unused may be
2 carried forward and applied against the taxpayer's income tax liability
3 for the next five years immediately following the tax year in which the
4 credit is first allowed. The tax credit cannot be carried back.

5 (3) The tax credit allowed under this section is subject to section
6 32 of this act.

7 Sec. 30. (1) An estate or trust that makes one or more cash
8 contributions to one or more eligible charitable organizations during a
9 tax year shall be eligible for a credit against the income tax due under
10 the Nebraska Revenue Act of 1967. Except as otherwise provided in the
11 Nebraska Pregnancy Help Act, the amount of the credit shall be equal to
12 the lesser of (a) the total amount of such contributions made during the
13 tax year or (b) fifty percent of the income tax liability of such
14 taxpayer for the tax year. A taxpayer may only claim a credit pursuant to
15 this section for the portion of the contribution that was not claimed as
16 a charitable contribution under the Internal Revenue Code of 1986, as
17 amended. Any credit not used by the estate or trust may be attributed to
18 each beneficiary of the estate or trust in the same proportion used to
19 report the beneficiary's income from the estate or trust for income tax
20 purposes.

21 (2) The tax credit allowed under this section shall be a
22 nonrefundable credit. Any amount of the tax credit that is unused may be
23 carried forward and applied against the taxpayer's income tax liability
24 for the next five years immediately following the tax year in which the
25 credit is first allowed. The tax credit cannot be carried back.

26 (3) The tax credit allowed under this section is subject to section
27 32 of this act.

28 Sec. 31. (1) A corporate taxpayer as defined in section 77-2734.04
29 that makes one or more cash contributions to one or more eligible
30 charitable organizations during a tax year shall be eligible for a credit
31 against the income tax due under the Nebraska Revenue Act of 1967. Except

1 as otherwise provided in the Nebraska Pregnancy Help Act, the amount of
2 the credit shall be equal to the lesser of (a) the total amount of such
3 contributions made during the tax year or (b) fifty percent of the income
4 tax liability of such taxpayer for the tax year. A taxpayer may only
5 claim a credit pursuant to this section for the portion of the
6 contribution that was not claimed as a charitable contribution under the
7 Internal Revenue Code of 1986, as amended.

8 (2) The tax credit allowed under this section shall be a
9 nonrefundable credit. Any amount of the tax credit that is unused may be
10 carried forward and applied against the taxpayer's income tax liability
11 for the next five years immediately following the tax year in which the
12 credit is first allowed. The tax credit cannot be carried back.

13 (3) The tax credit allowed under this section is subject to section
14 32 of this act.

15 Sec. 32. (1) Prior to making a contribution to an eligible
16 charitable organization, any taxpayer desiring to claim a tax credit
17 under the Nebraska Pregnancy Help Act shall notify the eligible
18 charitable organization of the taxpayer's intent to make a contribution
19 and the amount to be claimed as a tax credit. Upon receiving each such
20 notification, the eligible charitable organization shall notify the
21 department of the intended tax credit amount. If the department
22 determines that the intended tax credit amount in the notification would
23 exceed the limit specified in subsection (3) of this section, the
24 department shall notify the eligible charitable organization of its
25 determination within thirty days after receipt of the notification. The
26 eligible charitable organization shall then promptly notify the taxpayer
27 of the department's determination that the intended tax credit amount in
28 the notification is not available. If an amount less than the amount
29 indicated in the notification is available for a tax credit, the
30 department shall notify the eligible charitable organization of the
31 available amount and the eligible charitable organization shall notify

1 the taxpayer of the available amount within three business days.

2 (2) In order to be allowed a tax credit as provided by the act, the
3 taxpayer shall make its contribution between thirty-one and sixty days
4 after notifying the eligible charitable organization of the taxpayer's
5 intent to make a contribution. If the eligible charitable organization
6 does not receive the contribution within the required time period, it
7 shall notify the department of such fact and the department shall no
8 longer include such amount when calculating whether the limit prescribed
9 in subsection (3) of this section has been exceeded. If the eligible
10 charitable organization receives the contribution within the required
11 time period, it shall provide the taxpayer with a receipt for the
12 contribution. The receipt shall show the name and address of the eligible
13 charitable organization, the name, address, and, if available, tax
14 identification number of the taxpayer making the contribution, the amount
15 of the contribution, and the date the contribution was received.

16 (3) The department shall consider notifications regarding intended
17 tax credit amounts in the order in which they are received to ascertain
18 whether the intended tax credit amounts are within the annual limit
19 provided in this subsection. The annual limit on the total amount of tax
20 credits for calendar year 2025 and each calendar year thereafter shall be
21 two million dollars. Once credits have reached the annual limit for any
22 calendar year, no additional credits shall be allowed for such calendar
23 year. Credits shall be prorated among the notifications received on the
24 day the annual limit is exceeded. No more than fifty percent of the
25 credits allowed for any calendar year shall be for contributions to a
26 single eligible charitable organization.

27 Sec. 33. The department may adopt and promulgate rules and
28 regulations to carry out the Nebraska Pregnancy Help Act.