Introduced by von Gillern, 4.

1. Strike section 3 and insert the following new sections:

Sec. 3. (1) For taxable years beginning or deemed to begin on or after January 1, 2025, under the Internal Revenue Code of 1986, as amended, an employer that pays relocation expenses for a qualifying employee shall be eligible to receive a credit that may be used to offset any income taxes due under the Nebraska Revenue Act of 1967, any premium and related retaliatory taxes due under section 44-150, 77-908, or 81-523, or any franchise taxes due under sections 77-3801 to 77-3807.

(2) The credit provided in this section shall be a refundable credit in an amount equal to fifty percent of the relocation expenses that were paid by the employer for a qualifying employee during the taxable year, not to exceed a maximum credit of five thousand dollars per qualifying employee.

(3) No credit shall be granted under this section unless the qualifying employee will receive an annual salary of at least seventy thousand dollars per year and not more than two hundred fifty thousand dollars per year.

(4) Any credit claimed by an employer under this section shall be recaptured by the department if the qualifying employee moves out of the state within two years after the credit is claimed. Any amount required to be recaptured shall be deemed an underpayment of tax and shall be due and payable on the tax return that is due immediately following the loss of residency.

(5) Notwithstanding any other limitation contained in the laws of this state, collection of any taxes deemed to be an underpayment by this section shall be allowed for a period of three years following the due
date of the recaptured taxes.

(6) For taxable years beginning or deemed to begin on or after January 1, 2026, under the Internal Revenue Code of 1986, as amended, the department shall adjust the dollar amounts provided in subsection (3) of this section by the same percentage used to adjust individual income tax brackets under subsection (3) of section 77-2715.03.

(7) An employer shall apply for the credit provided in this section by submitting an application to the department on a form prescribed by the department. Subject to subsection (8) of this section, if the department determines that the employer qualifies for tax credits under this section, the department shall approve the application and certify the amount of credits approved to the employer.

(8) The department shall consider applications in the order in which they are received and may approve tax credits under this section in any year until the aggregate limit allowed under section 4 of this act has been reached.

(9) An employer shall claim any tax credits granted under this section by attaching the tax credit certification received from the department under subsection (7) of this section to the employer's tax return.

(10) An employer claiming a tax credit under the Relocation Incentive Act against any premium and related retaliatory taxes due under section 44-150, 77-908, or 81-523 shall not be required to pay any additional retaliatory tax as a result of claiming the tax credit. The tax credit may fully offset any retaliatory tax imposed under Nebraska law. Any tax credit claimed shall be considered a payment of tax for purposes of subsection (1) of section 77-2734.03.

Sec. 7. Section 77-908, Revised Statutes Cumulative Supplement, 2022, is amended to read:

77-908 Every insurance company organized under the stock, mutual, assessment, or reciprocal plan, except fraternal benefit societies, which
is transacting business in this state shall, on or before March 1 of each
year, pay a tax to the director of one percent of the gross amount of
direct writing premiums received by it during the preceding calendar year
for business done in this state, except that (1) for group sickness and
accident insurance the rate of such tax shall be five-tenths of one
percent and (2) for property and casualty insurance, excluding individual
sickness and accident insurance, the rate of such tax shall be one
percent. A captive insurer authorized under the Captive Insurers Act that
is transacting business in this state shall, on or before March 1 of each
year, pay to the director a tax of one-fourth of one percent of the gross
amount of direct writing premiums received by such insurer during the
preceding calendar year for business transacted in the state. The taxable
premiums shall include premiums paid on the lives of persons residing in
this state and premiums paid for risks located in this state whether the
insurance was written in this state or not, including that portion of a
group premium paid which represents the premium for insurance on Nebraska
residents or risks located in Nebraska included within the group when the
number of lives in the group exceeds five hundred. The tax shall also
apply to premiums received by domestic companies for insurance written on
individuals residing outside this state or risks located outside this
state if no comparable tax is paid by the direct writing domestic company
to any other appropriate taxing authority. Companies whose scheme of
operation contemplates the return of a portion of premiums to
policyholders, without such policyholders being claimants under the terms
of their policies, may deduct such return premiums or dividends from
their gross premiums for the purpose of tax calculations. Any such
insurance company shall receive a credit on the tax imposed as provided
in the Community Development Assistance Act, the Nebraska Job Creation
and Mainstreet Revitalization Act, the New Markets Job Growth Investment
Act, the Nebraska Higher Blend Tax Credit Act, the Relocation Incentive
Act, and the Affordable Housing Tax Credit Act.
Sec. 15. Section 77-3806, Revised Statutes Cumulative Supplement, 2022, is amended to read:

77-3806 (1) The tax return shall be filed and the total amount of the franchise tax shall be due on the fifteenth day of the third month after the end of the taxable year. No extension of time to pay the tax shall be granted. If the Tax Commissioner determines that the amount of tax can be computed from available information filed by the financial institutions with either state or federal regulatory agencies, the Tax Commissioner may, by regulation, waive the requirement for the financial institutions to file returns.

(2) Sections 77-2714 to 77-27,135 relating to deficiencies, penalties, interest, the collection of delinquent amounts, and appeal procedures for the tax imposed by section 77-2734.02 shall also apply to the tax imposed by section 77-3802. If the filing of a return is waived by the Tax Commissioner, the payment of the tax shall be considered the filing of a return for purposes of sections 77-2714 to 77-27,135.

(3) No refund of the tax imposed by section 77-3802 shall be allowed unless a claim for such refund is filed within ninety days of the date on which (a) the tax is due or was paid, whichever is later, (b) a change is made to the amount of deposits or the net financial income of the financial institution by a state or federal regulatory agency, or (c) the Nebraska Investment Finance Authority issues an eligibility statement to the financial institution pursuant to the Affordable Housing Tax Credit Act.

(4) Any such financial institution shall receive a credit on the franchise tax as provided under the Affordable Housing Tax Credit Act, the Community Development Assistance Act, the Nebraska Higher Blend Tax Credit Act, the Nebraska Job Creation and Mainstreet Revitalization Act, the Nebraska Property Tax Incentive Act, the Relocation Incentive Act, and the New Markets Job Growth Investment Act.

Sec. 17. Section 81-523, Revised Statutes Cumulative Supplement,
2022, is amended to read:

81-523 (1) For the purpose of maintaining the office of the State Fire Marshal and such other fire prevention activities as the Governor may direct, every foreign and alien insurance company including nonresident attorneys for subscribers to reciprocal insurance exchanges shall, on or before March 1, pay a tax to the Director of Insurance of three-fourths of one percent of the gross direct writing premiums and assessments received by each of such companies during the preceding calendar year for fire insurance business done in this state.

(2) For the purpose set forth in subsection (1) of this section, every domestic insurance company including resident attorneys for subscribers to reciprocal insurance exchanges shall, on or before March 1, pay a tax to the Director of Insurance of three-eighths of one percent of the gross direct writing premiums and assessments received by each of such companies during the preceding calendar year for fire insurance business done in this state.

(3) The term fire insurance business, as used in subsections (1), (2), and (4) of this section, shall include, but not be limited to, premiums of policies on fire risks on automobiles, whether written under floater form or otherwise.

(4) Return premiums on fire insurance business, subject to the fire insurance tax, in accordance with subsections (1) and (2) of this section, may be deducted from the gross direct writing premiums for the purpose of the tax calculations provided for by subsections (1) and (2) of this section. In the case of mutual companies and assessment associations, the dividends paid or credited to policyholders or members in this state shall be construed to be return premiums.

(5) Any tax collected pursuant to subsections (1) and (2) of this section shall be remitted to the State Treasurer for credit to the General Fund.

(6) An insurance company described in this section shall receive a
credit on the tax imposed under this section as provided in the Affordable Housing Tax Credit Act and the Relocation Incentive Act.

2. Correct the operative date and repealer sections so that the sections added by this amendment become operative on their effective date.

3. Renumber the remaining sections and correct internal references accordingly.