

AMENDMENTS TO LB919

(Amendments to Standing Committee amendments, AM2513)

Introduced by Cavanaugh, J., 9.

1 1. Insert the following new section:

2 Sec. 2. Section 77-2715.07, Revised Statutes Supplement, 2021, is
3 amended to read:

4 77-2715.07 (1) There shall be allowed to qualified resident
5 individuals as a nonrefundable credit against the income tax imposed by
6 the Nebraska Revenue Act of 1967:

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

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

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

13 (a) For returns filed reporting federal adjusted gross incomes of
14 greater than twenty-nine thousand dollars, a nonrefundable credit equal
15 to twenty-five percent of the federal credit allowed under section 21 of
16 the Internal Revenue Code of 1986, as amended, except that for taxable
17 years beginning or deemed to begin on or after January 1, 2015, such
18 nonrefundable credit shall be allowed only if the individual would have
19 received the federal credit allowed under section 21 of the code after
20 adding back in any carryforward of a net operating loss that was deducted
21 pursuant to such section in determining eligibility for the federal
22 credit;

23 (b) For returns filed reporting federal adjusted gross income of
24 twenty-nine thousand dollars or less, a refundable credit equal to a
25 percentage of the federal credit allowable under section 21 of the
26 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 twenty-two thousand dollars, and the percentage shall be reduced by ten
4 percent for each one thousand dollars, or fraction thereof, by which the
5 reported federal adjusted gross income exceeds twenty-two thousand
6 dollars, except that for taxable years beginning or deemed to begin on or
7 after January 1, 2015, such refundable credit shall be allowed only if
8 the individual would have received the federal credit allowed under
9 section 21 of the code after adding back in any carryforward of a net
10 operating loss that was deducted pursuant to such section in determining
11 eligibility for the federal credit;

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

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

22 (e)(i) ~~(e)~~ A refundable credit equal to:

23 (A) ~~Ten~~ ~~ten~~ percent of the federal credit allowed under section 32
24 of the Internal Revenue Code of 1986, as amended, for taxable years
25 beginning or deemed to begin before January 1, 2023; and

26 (B) Seventeen percent of the federal credit allowed under section 32
27 of the Internal Revenue Code of 1986, as amended, for taxable years
28 beginning or deemed to begin on or after January 1, 2023.

29 (ii) ~~For except that for~~ taxable years beginning or deemed to begin
30 on or after January 1, 2015, the such refundable credit provided in
31 subdivision (2)(e)(i) of this section shall be allowed only if the

1 individual would have received the federal credit allowed under section
2 32 of the code after adding back in any carryforward of a net operating
3 loss that was deducted pursuant to such section in determining
4 eligibility for the federal credit.

5 (3) There shall be allowed to all individuals as a nonrefundable
6 credit against the income tax imposed by the Nebraska Revenue Act of
7 1967:

8 (a) A credit for personal exemptions allowed under section
9 77-2716.01;

10 (b) A credit for contributions to certified community betterment
11 programs as provided in the Community Development Assistance Act. Each
12 partner, each shareholder of an electing subchapter S corporation, each
13 beneficiary of an estate or trust, or each member of a limited liability
14 company shall report his or her share of the credit in the same manner
15 and proportion as he or she reports the partnership, subchapter S
16 corporation, estate, trust, or limited liability company income;

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

19 (d) A credit as provided in the New Markets Job Growth Investment
20 Act;

21 (e) A credit as provided in the Nebraska Job Creation and Mainstreet
22 Revitalization Act;

23 (f) A credit to employers as provided in section 77-27,238; and

24 (g) A credit as provided in the Affordable Housing Tax Credit Act.

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

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

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

1 (c) A refundable credit for individuals who qualify for an income
2 tax credit as an owner of agricultural assets under the Beginning Farmer
3 Tax Credit Act for all taxable years beginning or deemed to begin on or
4 after January 1, 2009, under the Internal Revenue Code of 1986, as
5 amended. The credit allowed for each partner, shareholder, member, or
6 beneficiary of a partnership, corporation, limited liability company, or
7 estate or trust qualifying for an income tax credit as an owner of
8 agricultural assets under the Beginning Farmer Tax Credit Act shall be
9 equal to the partner's, shareholder's, member's, or beneficiary's portion
10 of the amount of tax credit distributed pursuant to subsection (6) of
11 section 77-5211.

12 (5)(a) For all taxable years beginning on or after January 1, 2007,
13 and before January 1, 2009, under the Internal Revenue Code of 1986, as
14 amended, there shall be allowed to each partner, shareholder, member, or
15 beneficiary of a partnership, subchapter S corporation, limited liability
16 company, or estate or trust a nonrefundable credit against the income tax
17 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the
18 partner's, shareholder's, member's, or beneficiary's portion of the
19 amount of franchise tax paid to the state under sections 77-3801 to
20 77-3807 by a financial institution.

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

29 (c) Each partner, shareholder, member, or beneficiary shall report
30 his or her share of the credit in the same manner and proportion as he or
31 she reports the partnership, subchapter S corporation, limited liability

1 company, or estate or trust income. If any partner, shareholder, member,
2 or beneficiary cannot fully utilize the credit for that year, the credit
3 may not be carried forward or back.

4 (6) There shall be allowed to all individuals nonrefundable credits
5 against the income tax imposed by the Nebraska Revenue Act of 1967 as
6 provided in section 77-3604 and refundable credits against the income tax
7 imposed by the Nebraska Revenue Act of 1967 as provided in section
8 77-3605.

9 (7)(a) For taxable years beginning or deemed to begin on or after
10 January 1, 2020, and before January 1, 2026, under the Internal Revenue
11 Code of 1986, as amended, a nonrefundable credit against the income tax
12 imposed by the Nebraska Revenue Act of 1967 in the amount of five
13 thousand dollars shall be allowed to any individual who purchases a
14 residence during the taxable year if such residence:

15 (i) Is located within an area that has been declared an extremely
16 blighted area under section 18-2101.02;

17 (ii) Is the individual's primary residence; and

18 (iii) Was not purchased from a family member of the individual or a
19 family member of the individual's spouse.

20 (b) The credit provided in this subsection shall be claimed for the
21 taxable year in which the residence is purchased. If the individual
22 cannot fully utilize the credit for such year, the credit may be carried
23 forward to subsequent taxable years until fully utilized.

24 (c) No more than one credit may be claimed under this subsection
25 with respect to a single residence.

26 (d) The credit provided in this subsection shall be subject to
27 recapture by the Department of Revenue if the individual claiming the
28 credit sells or otherwise transfers the residence or quits using the
29 residence as his or her primary residence within five years after the end
30 of the taxable year in which the credit was claimed.

31 (e) For purposes of this subsection, family member means an

1 individual's spouse, child, parent, brother, sister, grandchild, or
2 grandparent, whether by blood, marriage, or adoption.

3 (8) There shall be allowed to all individuals refundable credits
4 against the income tax imposed by the Nebraska Revenue Act of 1967 as
5 provided in the Nebraska Property Tax Incentive Act and the Renewable
6 Chemical Production Tax Credit Act.

7 (9)(a) For taxable years beginning or deemed to begin on or after
8 January 1, 2022, under the Internal Revenue Code of 1986, as amended, a
9 refundable credit against the income tax imposed by the Nebraska Revenue
10 Act of 1967 shall be allowed to the parent of a stillborn child if:

11 (i) A fetal death certificate is filed pursuant to subsection (1) of
12 section 71-606 for such child;

13 (ii) Such child had advanced to at least the twentieth week of
14 gestation; and

15 (iii) Such child would have been a dependent of the individual
16 claiming the credit.

17 (b) The amount of the credit shall be two thousand dollars.

18 (c) The credit shall be allowed for the taxable year in which the
19 stillbirth occurred.

20 2. Renumber the remaining sections, correct internal references, and
21 correct the repealer accordingly.