

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 809**

Introduced by Murman, 38; Dorn, 30; Halloran, 33; Lippincott, 34.

Read first time January 18, 2023

Committee: Revenue

- 1 A BILL FOR AN ACT relating to the Nebraska Advantage Rural Development
- 2 Act; to amend section 77-27,187.02, Revised Statutes Cumulative
- 3 Supplement, 2022; to change provisions relating to applications for
- 4 tax credits; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-27,187.02, Revised Statutes Cumulative  
2 Supplement, 2022, is amended to read:

3 77-27,187.02 (1) To earn the incentives set forth in the Nebraska  
4 Advantage Rural Development Act, the taxpayer shall file an application  
5 for an agreement with the Tax Commissioner. There shall be no new  
6 applications for incentives filed under this section after December 31,  
7 2027.

8 (2) The application shall contain:

9 (a) A written statement describing the full expected employment or  
10 type of livestock production and the investment amount for a qualified  
11 business, as described in section 77-27,189, in this state;

12 (b) Sufficient documents, plans, and specifications as required by  
13 the Tax Commissioner to support the plan and to define a project; and

14 (c) An application fee of five hundred dollars. The fee shall be  
15 remitted to the State Treasurer for credit to the Nebraska Incentives  
16 Fund. The application and all supporting information shall be  
17 confidential except for the name of the taxpayer, the location of the  
18 project, and the amounts of increased employment or investment.

19 (3)(a) The Tax Commissioner shall approve the application and  
20 authorize the total amount of credits expected to be earned as a result  
21 of the project if he or she is satisfied that the plan in the application  
22 defines a project that (i) meets the requirements established in section  
23 77-27,188 and such requirements will be reached within the required time  
24 period and (ii) for projects other than livestock modernization or  
25 expansion projects, is located in an eligible county, city, or village.

26 ~~(b) For applications filed in calendar year 2015, the Tax~~  
27 ~~Commissioner shall not approve further applications once the expected~~  
28 ~~credits from the approved projects total one million dollars. For~~  
29 applications filed in calendar year 2016 and each year thereafter, the  
30 Tax Commissioner shall not approve further applications from applicants  
31 described in subsection (1) of section 77-27,188 once the expected

1 credits from approved projects in this category total: For calendar years  
2 2016 through 2022, one million dollars; and for calendar year 2023 and  
3 each calendar year thereafter, ten million dollars ~~from approved projects~~  
4 ~~from this category total one million dollars.~~ For applications filed in  
5 calendar year 2016 and each year thereafter, the Tax Commissioner shall  
6 not approve further applications from applicants described in subsection  
7 (2) of section 77-27,188 once the expected credits from approved projects  
8 in this category total: For calendar year 2016, five hundred thousand  
9 dollars; for calendar years 2017 and 2018, seven hundred fifty thousand  
10 dollars; for calendar years 2019, 2020, and 2021, one million dollars;  
11 and for calendar year 2022 and each calendar year thereafter, ten million  
12 dollars. Four hundred dollars of the application fee shall be refunded to  
13 the applicant if the application is not approved because the expected  
14 credits from approved projects exceed such amounts.

15 (c) Applications for benefits shall be considered separately and in  
16 the order in which they are received for the categories represented by  
17 subsections (1) and (2) of section 77-27,188.

18 (d) Applications shall be filed by November 1 and shall be complete  
19 by December 1 of each calendar year. Any application that is filed after  
20 November 1 or that is not complete on December 1 shall be considered to  
21 be filed during the following calendar year.

22 (4) After approval, the taxpayer and the Tax Commissioner shall  
23 enter into a written agreement. The taxpayer shall agree to complete the  
24 project, and the Tax Commissioner, on behalf of the State of Nebraska,  
25 shall designate the approved plans of the taxpayer as a project and, in  
26 consideration of the taxpayer's agreement, agree to allow the taxpayer to  
27 use the incentives contained in the Nebraska Advantage Rural Development  
28 Act up to the total amount that were authorized by the Tax Commissioner  
29 at the time of approval. The application, and all supporting  
30 documentation, to the extent approved, shall be considered a part of the  
31 agreement. The agreement shall state:

1           (a) The levels of employment and investment required by the act for  
2 the project;

3           (b) The time period under the act in which the required level must  
4 be met;

5           (c) The documentation the taxpayer will need to supply when claiming  
6 an incentive under the act;

7           (d) The date the application was filed; and

8           (e) The maximum amount of credits authorized.

9           Sec. 2. Original section 77-27,187.02, Revised Statutes Cumulative  
10 Supplement, 2022, is repealed.