

E AND R AMENDMENTS TO LB 191

Introduced by Murante, 49, Chairman Enrollment and Review

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

3 Section 1. Sections 1 to 9 of this act shall be known
4 and may be cited as the Nebraska Job Creation and Mainstreet
5 Revitalization Act.

6 Sec. 2. For purposes of the Nebraska Job Creation and
7 Mainstreet Revitalization Act:

8 (1) Eligible expenditure means any cost incurred for the
9 improvement of historically significant real property located in
10 the State of Nebraska, including, but not limited to, qualified
11 rehabilitation expenditures as defined in section 47(c)(2) of
12 the Internal Revenue Code of 1986, as amended, and the related
13 regulations thereunder, if such improvement is in conformance with
14 the standards;

15 (2) Historically significant real property means real
16 property used for any purpose other than an owner-occupied
17 single-family detached residence, which, at the time of final
18 approval of the work by the officer pursuant to subdivision (2)(b)
19 of section 3 of this act, is:

20 (a) Individually listed in the National Register of
21 Historic Places;

22 (b) Located within a district listed in the National
23 Register of Historic Places and is determined by the officer as

1 being historically significant to such district;

2 (c) Individually designated pursuant to a landmark
3 ordinance enacted by a political subdivision of the state that has
4 been approved by the officer and is determined by the officer as
5 being historically significant; or

6 (d) Located within a district designated pursuant to
7 a preservation ordinance or any other ordinance duly adopted
8 by a political subdivision of the state providing for the
9 rehabilitation, preservation, or restoration of real property of
10 historic significance that has been approved by the officer and
11 is determined by the officer to be contributing to the historical
12 significance of such district;

13 (3) Improvement means a rehabilitation, preservation,
14 or restoration project that contributes to the basis of the
15 historically significant real property and has a total cost of at
16 least the greater of twenty-five thousand dollars or twenty-five
17 percent of the historically significant real property's most recent
18 assessed value;

19 (4) Officer means the State Historic Preservation
20 Officer;

21 (5) Person means any natural person or any limited
22 liability company, partnership, private domestic or private foreign
23 corporation, or domestic or foreign nonprofit corporation certified
24 pursuant to section 501(c)(3) of the Internal Revenue Code of 1986,
25 as amended;

26 (6) Placed in service means that either (a) a temporary
27 or final certificate of occupancy has been issued for the

1 improvement or (b) the improvement is sufficiently complete to
2 allow for the intended use of the improvement; and

3 (7) Standards means (a) the Secretary of the Interior's
4 Standards for the Treatment of Historic Properties as promulgated
5 by the United States Department of the Interior or (b) specific
6 standards for the rehabilitation, preservation, and restoration of
7 historically significant real property contained in a duly adopted
8 local preservation ordinance that has been approved by the officer.

9 Sec. 3. (1) Any person incurring eligible expenditures
10 may receive a nonrefundable credit against any income tax imposed
11 by the Nebraska Revenue Act of 1967, or any tax imposed pursuant to
12 sections 77-907 to 77-918 or 77-3801 to 77-3807, for the year the
13 historically significant real property is placed in service. The
14 amount of the credit shall be equal to twenty percent of eligible
15 expenditures up to and including five million dollars.

16 (2) To claim the credit authorized under this section, a
17 person shall comply with each of the following requirements:

18 (a) Prior to commencing work on the historically
19 significant real property, a person shall file an application
20 containing all required information with the officer on a form
21 prescribed by the officer and shall include an application fee
22 established by the officer pursuant to section 4 of this act.
23 The officer shall determine whether to approve, approve with
24 conditions, or deny the application and shall provide the person
25 filing the application and the Department of Revenue with written
26 notice of the officer's determination. If the officer does not
27 provide a written notice of his or her determination within thirty

1 days after the date the person files an application containing all
2 required information, the application shall be deemed approved; and

3 (b) Within twelve months after the date on which the
4 historically significant real property is placed in service, a
5 person whose application was approved under subdivision (2)(a) of
6 this section shall file a request for final approval containing
7 all required information with the officer on a form prescribed
8 by the officer and shall include a fee established by the
9 officer pursuant to section 4 of this act. The officer shall
10 then determine whether the work substantially conforms to the
11 application approved under subdivision (2)(a) of this section.
12 If the work substantially conforms and no other significant
13 improvements have been made to the historically significant real
14 property that do not substantially comply with the standards,
15 the officer shall approve the request for final approval and
16 refer the application to the Department of Revenue to determine
17 the amount of eligible expenditures, calculate the amount of
18 the credit, and issue a certificate to the person evidencing
19 the credit. If the work does not substantially conform to the
20 approved application or if other significant improvements have been
21 made to the historically significant real property that do not
22 substantially comply with the standards, the officer shall deny the
23 request for final approval and provide the person with a written
24 explanation of the decision. The officer shall make a determination
25 on the request for final approval in writing within thirty days
26 after the filing of the request. If the officer does not make a
27 determination within thirty days after the filing of the request,

1 the request shall be deemed approved and the person may petition
2 the Department of Revenue directly to determine the amount of
3 eligible expenditures, calculate the amount of the credit, and
4 issue a certificate evidencing the credit. The department shall
5 divide the credit and issue multiple certificates to a person who
6 qualifies for the credit upon reasonable request.

7 (3) The Department of Revenue shall not issue any
8 certificates for credits under subsection (2) of this section
9 until the recipient of the credit has paid to the department a fee
10 equal to the lesser of either one-quarter of one percent of the
11 credit amount or twenty-five thousand dollars. The department shall
12 remit such fees to the State Treasurer for credit to the Civic and
13 Community Center Financing Fund.

14 (4) Notwithstanding subdivision (2)(a) of this section,
15 the person applying for the credit authorized under this section
16 may, at its own risk, incur eligible expenditures up to six
17 months prior to the submission of the application required under
18 subdivision (2)(a) of this section if such eligible expenditures
19 are limited to architectural fees, accounting and legal fees, and
20 any costs related to the protection of the historically significant
21 real property from deterioration.

22 (5) If the recipient of the credit is (a) a corporation
23 having an election in effect under subchapter S of the Internal
24 Revenue Code of 1986, as amended, (b) a partnership, or (c)
25 a limited liability company, the credit may be claimed by the
26 shareholders of the corporation, the partners of the partnership,
27 or the members of the limited liability company in the same manner

1 as those shareholders, partners, or members account for their
2 proportionate shares of the income or losses of the corporation,
3 partnership, or limited liability company, or as provided in the
4 bylaws or other executed agreement of the corporation, partnership,
5 or limited liability company. Credits granted to a partnership, a
6 limited liability company taxed as a partnership, or other multiple
7 owners of property shall be passed through to the partners,
8 members, or owners, respectively, on a pro rata basis or pursuant
9 to an executed agreement among the partners, members, or owners
10 documenting any alternate distribution method.

11 (6) Any credit amount that is unused may be carried
12 forward to subsequent tax years until fully utilized.

13 (7) Credits allowed under this section may be claimed for
14 taxable years beginning or deemed to begin on or after January 1,
15 2015, under the Internal Revenue Code of 1986, as amended.

16 Sec. 4. The officer shall establish and collect the
17 application fee required pursuant to subdivision (2)(a) of section
18 3 of this act and the fee for the request for final approval
19 required pursuant to subdivision (2)(b) of section 3 of this act.
20 Such fees shall be in amounts sufficient to offset the costs of
21 processing and monitoring applications filed under the Nebraska
22 Job Creation and Mainstreet Revitalization Act. Such fees shall be
23 remitted by the officer to the State Treasurer for credit to the
24 Nebraska Job Creation and Mainstreet Revitalization Fund.

25 Sec. 5. All or a portion of the credit received under
26 section 3 of this act shall be subject to recapture from the person
27 filing the original application under section 3 of this act by

1 the Department of Revenue if at any time during the five years
2 after the historically significant real property is placed into
3 service the officer or the Department of Revenue determines the
4 historically significant real property has been the subject of work
5 not in substantial conformance with the standards, the approved
6 application, or the documents from which the credit was calculated.
7 If the person filing the original application is a partnership or
8 limited liability company, the liability of the partners or members
9 for recapture shall be proportionate to their ownership in the
10 applicant partnership or limited liability company. Any action to
11 recapture credits under this section may proceed after a written
12 notice is given to the applicant and the applicant is allowed a
13 six-month cure period. Thereafter, the credit shall be subject to
14 recapture as follows:

15 (1) If the event causing recapture occurs during the
16 first year after the historically significant real property is
17 placed into service, one hundred percent of the credit may be
18 recaptured;

19 (2) If the event causing recapture occurs during the
20 second year after the historically significant real property
21 is placed into service, eighty percent of the credit may be
22 recaptured;

23 (3) If the event causing recapture occurs during the
24 third year after the historically significant real property is
25 placed into service, sixty percent of the credit may be recaptured;

26 (4) If the event causing recapture occurs during the
27 fourth year after the historically significant real property is

1 placed into service, forty percent of the credit may be recaptured;
2 and

3 (5) If the event causing recapture occurs during the
4 fifth year after the historically significant real property
5 is placed into service, twenty percent of the credit may be
6 recaptured.

7 Sec. 6. Persons eligible for credits under the Nebraska
8 Job Creation and Mainstreet Revitalization Act may transfer, sell,
9 or assign all or any portion of the credits to any person or legal
10 entity by transferring possession of the certificate received for
11 such credits under section 3 of this act to the person acquiring
12 the credits. Credits may be transferred, sold, or assigned multiple
13 times, either in whole or in part. Any person acquiring credits
14 under this section may use such credits to offset up to one hundred
15 percent of such person's income tax due under the Nebraska Revenue
16 Act of 1967, or any tax imposed pursuant to sections 77-907 to
17 77-918 or 77-3801 to 77-3807, in the year the credits are acquired
18 and in subsequent years until all credits have been utilized. The
19 person transferring, selling, or assigning the credits shall notify
20 the officer and the Department of Revenue in writing within fifteen
21 calendar days following the effective date of the transfer, sale,
22 or assignment and shall provide any information as may be required
23 by the Department of Revenue or the officer to administer and
24 carry out the Nebraska Job Creation and Mainstreet Revitalization
25 Act. Such written notification to the Department of Revenue shall
26 perfect the transfer, sale, or assignment of credits. Only the
27 person filing the original application for credits under section

1 3 of this act, and not any person to whom such credits are
2 transferred, sold, or assigned, shall be liable for any recapture
3 of the credits under section 5 of this act. The Department of
4 Revenue shall develop a system to track the transfer, sale, and
5 assignment of credits and to certify the ownership of the credits.
6 The Department of Revenue shall have, with respect to the Nebraska
7 Job Creation and Mainstreet Revitalization Act, all authority
8 granted to it in section 77-27,119.

9 Sec. 7. (1) The Nebraska State Historical Society and
10 the Department of Revenue may each adopt and promulgate rules and
11 regulations to carry out the Nebraska Job Creation and Mainstreet
12 Revitalization Act.

13 (2) The Nebraska State Historical Society and the
14 Department of Revenue shall issue a joint report electronically to
15 the Revenue Committee of the Legislature no later than December
16 31, 2017. The report shall include, but not be limited to, (a)
17 the total number of applications submitted under the Nebraska Job
18 Creation and Mainstreet Revitalization Act, (b) the number of
19 applications approved or conditionally approved, (c) the number of
20 applications outstanding, if any, (d) the number of applications
21 denied and the basis for denial, (e) the total amount of eligible
22 expenditures approved, (f) the total amount of credits issued,
23 claimed, and still available for use, (g) the total amount of fees
24 collected, (h) the name and address location of each historically
25 significant real property identified in each application, whether
26 approved or denied, (i) the total amount of credits transferred,
27 sold, and assigned and a certification of the ownership of the

1 credits, (j) the total amount of credits claimed against each tax
2 type by category, and (k) the total amount of credits recaptured,
3 if any.

4 Sec. 8. The Nebraska Job Creation and Mainstreet
5 Revitalization Fund is created. The fund shall be administered by
6 the Nebraska State Historical Society and shall consist of all fees
7 credited to the fund pursuant to section 4 of this act. The fund
8 shall be used to administer and enforce the Nebraska Job Creation
9 and Mainstreet Revitalization Act. Any money in the fund available
10 for investment shall be invested by the state investment officer
11 pursuant to the Nebraska Capital Expansion Act and the Nebraska
12 State Funds Investment Act.

13 Sec. 9. There shall be no new applications filed under
14 the Nebraska Job Creation and Mainstreet Revitalization Act on or
15 after January 1, 2020. All applications and all credits pending or
16 approved before such date shall continue in full force and effect.

17 Sec. 10. Section 49-801.01, Revised Statutes Supplement,
18 2013, is amended to read:

19 49-801.01 Except as provided by Article VIII, section 1B,
20 of the Constitution of Nebraska and in sections 77-1106, 77-1108,
21 77-1109, 77-1117, 77-1119, 77-2701.01, 77-2714 to 77-27,123,
22 77-27,191, 77-4103, 77-4104, 77-4108, 77-5509, 77-5515, 77-5527 to
23 77-5529, 77-5539, 77-5717 to 77-5719, 77-5728, 77-5802, 77-5803,
24 77-5806, 77-5903, 77-6302, and 77-6306 and sections 2 and 3 of
25 this act, any reference to the Internal Revenue Code refers to the
26 Internal Revenue Code of 1986 as it exists on March 8, 2013.

27 Sec. 11. Section 77-908, Revised Statutes Cumulative

1 Supplement, 2012, is amended to read:

2 77-908 Every insurance company organized under the stock,
3 mutual, assessment, or reciprocal plan, except fraternal benefit
4 societies, which is transacting business in this state shall, on
5 or before March 1 of each year, pay a tax to the director of one
6 percent of the gross amount of direct writing premiums received by
7 it during the preceding calendar year for business done in this
8 state, except that (1) for group sickness and accident insurance
9 the rate of such tax shall be five-tenths of one percent and (2)
10 for property and casualty insurance, excluding individual sickness
11 and accident insurance, the rate of such tax shall be one percent.
12 A captive insurer authorized under the Captive Insurers Act that is
13 transacting business in this state shall, on or before March 1 of
14 each year, pay to the director a tax of one-fourth of one percent
15 of the gross amount of direct writing premiums received by such
16 insurer during the preceding calendar year for business transacted
17 in the state. The taxable premiums shall include premiums paid
18 on the lives of persons residing in this state and premiums
19 paid for risks located in this state whether the insurance was
20 written in this state or not, including that portion of a group
21 premium paid which represents the premium for insurance on Nebraska
22 residents or risks located in Nebraska included within the group
23 when the number of lives in the group exceeds five hundred. The
24 tax shall also apply to premiums received by domestic companies
25 for insurance written on individuals residing outside this state
26 or risks located outside this state if no comparable tax is paid
27 by the direct writing domestic company to any other appropriate

1 taxing authority. Companies whose scheme of operation contemplates
2 the return of a portion of premiums to policyholders, without such
3 policyholders being claimants under the terms of their policies,
4 may deduct such return premiums or dividends from their gross
5 premiums for the purpose of tax calculations. Any such insurance
6 company shall receive a credit on the tax imposed as provided in
7 the Community Development Assistance Act, the Nebraska Job Creation
8 and Mainstreet Revitalization Act, and ~~in~~ the New Markets Job
9 Growth Investment Act.

10 Sec. 12. Section 77-2715.07, Revised Statutes Cumulative
11 Supplement, 2012, is amended to read:

12 77-2715.07 (1) There shall be allowed to qualified
13 resident individuals as a nonrefundable credit against the income
14 tax imposed by the Nebraska Revenue Act of 1967:

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

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

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

22 (a) For returns filed reporting federal adjusted
23 gross incomes of greater than twenty-nine thousand dollars, a
24 nonrefundable credit equal to twenty-five percent of the federal
25 credit allowed under section 21 of the Internal Revenue Code of
26 1986, as amended;

27 (b) For returns filed reporting federal adjusted gross

1 income of twenty-nine thousand dollars or less, a refundable credit
2 equal to a percentage of the federal credit allowable under section
3 21 of the Internal Revenue Code of 1986, as amended, whether or
4 not the federal credit was limited by the federal tax liability.
5 The percentage of the federal credit shall be one hundred percent
6 for incomes not greater than twenty-two thousand dollars, and
7 the percentage shall be reduced by ten percent for each one
8 thousand dollars, or fraction thereof, by which the reported
9 federal adjusted gross income exceeds twenty-two thousand dollars;

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

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

20 (e) A refundable credit equal to ten percent of the
21 federal credit allowed under section 32 of the Internal Revenue
22 Code of 1986, as amended.

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

26 (a) A credit for personal exemptions allowed under
27 section 77-2716.01;

1 (b) A credit for contributions to certified community
2 betterment programs as provided in the Community Development
3 Assistance Act. Each partner, each shareholder of an electing
4 subchapter S corporation, each beneficiary of an estate or trust,
5 or each member of a limited liability company shall report his or
6 her share of the credit in the same manner and proportion as he
7 or she reports the partnership, subchapter S corporation, estate,
8 trust, or limited liability company income;

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

11 (d) A credit as provided in the New Markets Job Growth
12 Investment Act; and-

13 (e) A credit as provided in the Nebraska Job Creation and
14 Mainstreet Revitalization Act.

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

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

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

22 (c) A refundable credit for individuals who qualify for
23 an income tax credit as an owner of agricultural assets under the
24 Beginning Farmer Tax Credit Act for all taxable years beginning
25 or deemed to begin on or after January 1, 2009, under the
26 Internal Revenue Code of 1986, as amended. The credit allowed
27 for each partner, shareholder, member, or beneficiary of a

1 partnership, corporation, limited liability company, or estate
2 or trust qualifying for an income tax credit as an owner of
3 agricultural assets under the Beginning Farmer Tax Credit Act
4 shall be equal to the partner's, shareholder's, member's, or
5 beneficiary's portion of the amount of tax credit distributed
6 pursuant to subsection (4) of section 77-5211.

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

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

26 (c) Each partner, shareholder, member, or beneficiary
27 shall report his or her share of the credit in the same manner

1 and proportion as he or she reports the partnership, subchapter S
2 corporation, limited liability company, or estate or trust income.
3 If any partner, shareholder, member, or beneficiary cannot fully
4 utilize the credit for that year, the credit may not be carried
5 forward or back.

6 Sec. 13. Section 77-2717, Revised Statutes Supplement,
7 2013, is amended to read:

8 77-2717 (1)(a)(i) For taxable years beginning or deemed
9 to begin before January 1, 2014, the tax imposed on all resident
10 estates and trusts shall be a percentage of the federal taxable
11 income of such estates and trusts as modified in section 77-2716,
12 plus a percentage of the federal alternative minimum tax and the
13 federal tax on premature or lump-sum distributions from qualified
14 retirement plans. The additional taxes shall be recomputed by (A)
15 substituting Nebraska taxable income for federal taxable income,
16 (B) calculating what the federal alternative minimum tax would
17 be on Nebraska taxable income and adjusting such calculations for
18 any items which are reflected differently in the determination of
19 federal taxable income, and (C) applying Nebraska rates to the
20 result. The federal credit for prior year minimum tax, after the
21 recomputations required by the Nebraska Revenue Act of 1967, and
22 the credits provided in the Nebraska Advantage Microenterprise Tax
23 Credit Act and the Nebraska Advantage Research and Development
24 Act shall be allowed as a reduction in the income tax due. A
25 refundable income tax credit shall be allowed for all resident
26 estates and trusts under the Angel Investment Tax Credit Act, the
27 Nebraska Advantage Microenterprise Tax Credit Act, and the Nebraska

1 Advantage Research and Development Act. A nonrefundable income tax
2 credit shall be allowed for all resident estates and trusts as
3 provided in the New Markets Job Growth Investment Act.

4 (ii) For taxable years beginning or deemed to begin
5 on or after January 1, 2014, the tax imposed on all resident
6 estates and trusts shall be a percentage of the federal taxable
7 income of such estates and trusts as modified in section 77-2716,
8 plus a percentage of the federal tax on premature or lump-sum
9 distributions from qualified retirement plans. The additional taxes
10 shall be recomputed by substituting Nebraska taxable income for
11 federal taxable income and applying Nebraska rates to the result.
12 The credits provided in the Nebraska Advantage Microenterprise Tax
13 Credit Act and the Nebraska Advantage Research and Development
14 Act shall be allowed as a reduction in the income tax due. A
15 refundable income tax credit shall be allowed for all resident
16 estates and trusts under the Angel Investment Tax Credit Act, the
17 Nebraska Advantage Microenterprise Tax Credit Act, and the Nebraska
18 Advantage Research and Development Act. A nonrefundable income tax
19 credit shall be allowed for all resident estates and trusts as
20 provided in the Nebraska Job Creation and Mainstreet Revitalization
21 Act and the New Markets Job Growth Investment Act.

22 (b) The tax imposed on all nonresident estates and trusts
23 shall be the portion of the tax imposed on resident estates and
24 trusts which is attributable to the income derived from sources
25 within this state. The tax which is attributable to income derived
26 from sources within this state shall be determined by multiplying
27 the liability to this state for a resident estate or trust with

1 the same total income by a fraction, the numerator of which is
2 the nonresident estate's or trust's Nebraska income as determined
3 by sections 77-2724 and 77-2725 and the denominator of which is
4 its total federal income after first adjusting each by the amounts
5 provided in section 77-2716. The federal credit for prior year
6 minimum tax, after the recomputations required by the Nebraska
7 Revenue Act of 1967, reduced by the percentage of the total income
8 which is attributable to income from sources outside this state,
9 and the credits provided in the Nebraska Advantage Microenterprise
10 Tax Credit Act and the Nebraska Advantage Research and Development
11 Act shall be allowed as a reduction in the income tax due. A
12 refundable income tax credit shall be allowed for all nonresident
13 estates and trusts under the Angel Investment Tax Credit Act, the
14 Nebraska Advantage Microenterprise Tax Credit Act, and the Nebraska
15 Advantage Research and Development Act. A nonrefundable income tax
16 credit shall be allowed for all nonresident estates and trusts as
17 provided in the Nebraska Job Creation and Mainstreet Revitalization
18 Act and the New Markets Job Growth Investment Act.

19 (2) In all instances wherein a fiduciary income tax
20 return is required under the provisions of the Internal Revenue
21 Code, a Nebraska fiduciary return shall be filed, except that a
22 fiduciary return shall not be required to be filed regarding a
23 simple trust if all of the trust's beneficiaries are residents of
24 the State of Nebraska, all of the trust's income is derived from
25 sources in this state, and the trust has no federal tax liability.
26 The fiduciary shall be responsible for making the return for the
27 estate or trust for which he or she acts, whether the income be

1 taxable to the estate or trust or to the beneficiaries thereof.
2 The fiduciary shall include in the return a statement of each
3 beneficiary's distributive share of net income when such income is
4 taxable to such beneficiaries.

5 (3) The beneficiaries of such estate or trust who are
6 residents of this state shall include in their income their
7 proportionate share of such estate's or trust's federal income and
8 shall reduce their Nebraska tax liability by their proportionate
9 share of the credits as provided in the Angel Investment Tax Credit
10 Act, the Nebraska Advantage Microenterprise Tax Credit Act, the
11 Nebraska Advantage Research and Development Act, the Nebraska Job
12 Creation and Mainstreet Revitalization Act, and the New Markets Job
13 Growth Investment Act. There shall be allowed to a beneficiary a
14 refundable income tax credit under the Beginning Farmer Tax Credit
15 Act for all taxable years beginning or deemed to begin on or
16 after January 1, 2001, under the Internal Revenue Code of 1986, as
17 amended.

18 (4) If any beneficiary of such estate or trust is a
19 nonresident during any part of the estate's or trust's taxable
20 year, he or she shall file a Nebraska income tax return which shall
21 include (a) in Nebraska adjusted gross income that portion of the
22 estate's or trust's Nebraska income, as determined under sections
23 77-2724 and 77-2725, allocable to his or her interest in the estate
24 or trust and (b) a reduction of the Nebraska tax liability by his
25 or her proportionate share of the credits as provided in the Angel
26 Investment Tax Credit Act, the Nebraska Advantage Microenterprise
27 Tax Credit Act, the Nebraska Advantage Research and Development

1 Act, the Nebraska Job Creation and Mainstreet Revitalization Act,
2 and the New Markets Job Growth Investment Act and shall execute and
3 forward to the fiduciary, on or before the original due date of the
4 Nebraska fiduciary return, an agreement which states that he or she
5 will file a Nebraska income tax return and pay income tax on all
6 income derived from or connected with sources in this state, and
7 such agreement shall be attached to the Nebraska fiduciary return
8 for such taxable year.

9 (5) In the absence of the nonresident beneficiary's
10 executed agreement being attached to the Nebraska fiduciary return,
11 the estate or trust shall remit a portion of such beneficiary's
12 income which was derived from or attributable to Nebraska sources
13 with its Nebraska return for the taxable year. For taxable years
14 beginning or deemed to begin before January 1, 2013, the amount
15 of remittance, in such instance, shall be the highest individual
16 income tax rate determined under section 77-2715.02 multiplied by
17 the nonresident beneficiary's share of the estate or trust income
18 which was derived from or attributable to sources within this
19 state. For taxable years beginning or deemed to begin on or after
20 January 1, 2013, the amount of remittance, in such instance, shall
21 be the highest individual income tax rate determined under section
22 77-2715.03 multiplied by the nonresident beneficiary's share of the
23 estate or trust income which was derived from or attributable to
24 sources within this state. The amount remitted shall be allowed
25 as a credit against the Nebraska income tax liability of the
26 beneficiary.

27 (6) The Tax Commissioner may allow a nonresident

1 beneficiary to not file a Nebraska income tax return if the
2 nonresident beneficiary's only source of Nebraska income was his or
3 her share of the estate's or trust's income which was derived from
4 or attributable to sources within this state, the nonresident did
5 not file an agreement to file a Nebraska income tax return, and
6 the estate or trust has remitted the amount required by subsection
7 (5) of this section on behalf of such nonresident beneficiary. The
8 amount remitted shall be retained in satisfaction of the Nebraska
9 income tax liability of the nonresident beneficiary.

10 (7) For purposes of this section, unless the context
11 otherwise requires, simple trust shall mean any trust instrument
12 which (a) requires that all income shall be distributed currently
13 to the beneficiaries, (b) does not allow amounts to be paid,
14 permanently set aside, or used in the tax year for charitable
15 purposes, and (c) does not distribute amounts allocated in the
16 corpus of the trust. Any trust which does not qualify as a simple
17 trust shall be deemed a complex trust.

18 (8) For purposes of this section, any beneficiary of an
19 estate or trust that is a grantor trust of a nonresident shall be
20 disregarded and this section shall apply as though the nonresident
21 grantor was the beneficiary.

22 Sec. 14. Section 77-2734.03, Revised Statutes Cumulative
23 Supplement, 2012, is amended to read:

24 77-2734.03 (1)(a) For taxable years commencing prior to
25 January 1, 1997, any (i) insurer paying a tax on premiums and
26 assessments pursuant to section 77-908 or 81-523, (ii) electric
27 cooperative organized under the Joint Public Power Authority Act,

1 or (iii) credit union shall be credited, in the computation of
2 the tax due under the Nebraska Revenue Act of 1967, with the
3 amount paid during the taxable year as taxes on such premiums and
4 assessments and taxes in lieu of intangible tax.

5 (b) For taxable years commencing on or after January 1,
6 1997, any insurer paying a tax on premiums and assessments pursuant
7 to section 77-908 or 81-523, any electric cooperative organized
8 under the Joint Public Power Authority Act, or any credit union
9 shall be credited, in the computation of the tax due under the
10 Nebraska Revenue Act of 1967, with the amount paid during the
11 taxable year as (i) taxes on such premiums and assessments included
12 as Nebraska premiums and assessments under section 77-2734.05 and
13 (ii) taxes in lieu of intangible tax.

14 (c) For taxable years commencing or deemed to commence
15 prior to, on, or after January 1, 1998, any insurer paying a tax on
16 premiums and assessments pursuant to section 77-908 or 81-523 shall
17 be credited, in the computation of the tax due under the Nebraska
18 Revenue Act of 1967, with the amount paid during the taxable year
19 as assessments allowed as an offset against premium and related
20 retaliatory tax liability pursuant to section 44-4233.

21 (2) There shall be allowed to corporate taxpayers a
22 tax credit for contributions to community betterment programs as
23 provided in the Community Development Assistance Act.

24 (3) There shall be allowed to corporate taxpayers a
25 refundable income tax credit under the Beginning Farmer Tax Credit
26 Act for all taxable years beginning or deemed to begin on or
27 after January 1, 2001, under the Internal Revenue Code of 1986, as

1 amended.

2 (4) The changes made to this section by Laws 2004, LB
3 983, apply to motor fuels purchased during any tax year ending
4 or deemed to end on or after January 1, 2005, under the Internal
5 Revenue Code of 1986, as amended.

6 (5) There shall be allowed to corporate taxpayers
7 refundable income tax credits under the Nebraska Advantage
8 Microenterprise Tax Credit Act and the Nebraska Advantage Research
9 and Development Act.

10 (6) There shall be allowed to corporate taxpayers a
11 nonrefundable income tax credit for investment in a biodiesel
12 facility as provided in section 77-27,236.

13 (7) There shall be allowed to corporate taxpayers a
14 nonrefundable income tax credit as provided in the Nebraska Job
15 Creation and Mainstreet Revitalization Act and the New Markets Job
16 Growth Investment Act.

17 Sec. 15. Section 77-3806, Revised Statutes Cumulative
18 Supplement, 2012, is amended to read:

19 77-3806 (1) The tax return shall be filed and the total
20 amount of the franchise tax shall be due on the fifteenth day of
21 the third month after the end of the taxable year. No extension
22 of time to pay the tax shall be granted. If the Tax Commissioner
23 determines that the amount of tax can be computed from available
24 information filed by the financial institutions with either state
25 or federal regulatory agencies, the Tax Commissioner may, by
26 regulation, waive the requirement for the financial institutions to
27 file returns.

1 (2) Sections 77-2714 to 77-27,135 relating to
2 deficiencies, penalties, interest, the collection of delinquent
3 amounts, and appeal procedures for the tax imposed by section
4 77-2734.02 shall also apply to the tax imposed by section 77-3802.
5 If the filing of a return is waived by the Tax Commissioner, the
6 payment of the tax shall be considered the filing of a return for
7 purposes of sections 77-2714 to 77-27,135.

8 (3) No refund of the tax imposed by section 77-3802 shall
9 be allowed unless a claim for such refund is filed within ninety
10 days of the date on which (a) the tax is due or was paid, whichever
11 is later, or (b) a change is made to the amount of deposits or
12 the net financial income of the financial institution by a state or
13 federal regulatory agency.

14 (4) Any such financial institution shall receive a
15 credit on the franchise tax as provided under the Community
16 Development Assistance Act, the Nebraska Job Creation and
17 Mainstreet Revitalization Act, and ~~under~~ the New Markets Job Growth
18 Investment Act.

19 Sec. 16. Original sections 77-908, 77-2715.07,
20 77-2734.03, and 77-3806, Revised Statutes Cumulative Supplement,
21 2012, and sections 49-801.01 and 77-2717, Revised Statutes
22 Supplement, 2013, are repealed.

23 2. On page 1, strike lines 2 and 3 and insert "77-908,
24 77-2715.07, 77-2734.03, and 77-3806, Revised Statutes Cumulative
25 Supplement, 2012, and sections 49-801.01 and 77-2717, Revised
26 Statutes Supplement, 2013; to".