

AMENDMENTS TO LB183
(Amendments to AM1846)

Introduced by Slama, 1.

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

3 Section 1. Sections 1 to 4 of this act shall be known and may be
4 cited as the Property Tax Relief Act.

5 Sec. 2. The purpose of the Property Tax Relief Act is to provide
6 tax relief through a refundable income tax credit for taxpayers.

7 Sec. 3. For purposes of the Property Tax Relief Act:

8 (1) Agricultural land and horticultural land has the same meaning as
9 in section 77-1359;

10 (2) Farm site has the same meaning as in section 77-1359; and

11 (3) Homestead has the same meaning as in section 77-3502.

12 Sec. 4. (1) For taxable years beginning or deemed to begin on or
13 after January 1, 2020, each individual who is an owner of a homestead, of
14 agricultural land and horticultural land, of a farm site, or of any
15 improvements on a farm site that are agricultural in nature shall be
16 allowed a refundable credit against the income tax imposed by the
17 Nebraska Revenue Act of 1967 equal to the applicable percentage in
18 subsection (2) of this section multiplied by the property taxes paid
19 during the taxable year on such homestead, agricultural land and
20 horticultural land, farm site, or improvement.

21 (2) The following percentages shall apply for purposes of
22 calculating the credit allowed in subsection (1) of this section:

<u>TAX YEAR</u>	<u>CREDIT PERCENTAGE</u>
24 <u>2020</u>	<u>2%</u>
25 <u>2021</u>	<u>4%</u>
26 <u>2022</u>	<u>6%</u>

1	<u>2023</u>	<u>8%</u>
2	<u>2024</u>	<u>10%</u>
3	<u>2025</u>	<u>15%</u>
4	<u>2026</u>	<u>18%</u>
5	<u>2027 and each tax</u>	
6	<u>year thereafter</u>	<u>20%</u>

7 Sec. 5. Section 77-2715.07, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 77-2715.07 (1) There shall be allowed to qualified resident
10 individuals as a nonrefundable credit against the income tax imposed by
11 the Nebraska Revenue Act of 1967:

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

14 (b) A credit for taxes paid to another state as provided in section
15 77-2730.

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

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

28 (b) For returns filed reporting federal adjusted gross income of
29 twenty-nine thousand dollars or less, a refundable credit equal to a
30 percentage of the federal credit allowable under section 21 of the

1 Internal Revenue Code of 1986, as amended, whether or not the federal
2 credit was limited by the federal tax liability. The percentage of the
3 federal credit shall be one hundred percent for incomes not greater than
4 twenty-two thousand dollars, and the percentage shall be reduced by ten
5 percent for each one thousand dollars, or fraction thereof, by which the
6 reported federal adjusted gross income exceeds twenty-two thousand
7 dollars, except that for taxable years beginning or deemed to begin on or
8 after January 1, 2015, such refundable credit shall be allowed only if
9 the individual would have received the federal credit allowed under
10 section 21 of the code after adding back in any carryforward of a net
11 operating loss that was deducted pursuant to such section in determining
12 eligibility for the federal credit;

13 (c) A refundable credit as provided in section 77-5209.01 for
14 individuals who qualify for an income tax credit as a qualified beginning
15 farmer or livestock producer under the Beginning Farmer Tax Credit Act
16 for all taxable years beginning or deemed to begin on or after January 1,
17 2006, under the Internal Revenue Code of 1986, as amended;

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

23 (e) A refundable credit equal to ten percent of the federal credit
24 allowed under section 32 of the Internal Revenue Code of 1986, as
25 amended, except that for taxable years beginning or deemed to begin on or
26 after January 1, 2015, such refundable credit shall be allowed only if
27 the individual would have received the federal credit allowed under
28 section 32 of the code after adding back in any carryforward of a net
29 operating loss that was deducted pursuant to such section in determining
30 eligibility for the federal credit.

31 (3) There shall be allowed to all individuals as a nonrefundable

1 credit against the income tax imposed by the Nebraska Revenue Act of
2 1967:

3 (a) A credit for personal exemptions allowed under section
4 77-2716.01;

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (c) Each partner, shareholder, member, or beneficiary shall report
25 his or her share of the credit in the same manner and proportion as he or
26 she reports the partnership, subchapter S corporation, limited liability
27 company, or estate or trust income. If any partner, shareholder, member,
28 or beneficiary cannot fully utilize the credit for that year, the credit
29 may not be carried forward or back.

30 (6) There shall be allowed to all individuals nonrefundable credits
31 against the income tax imposed by the Nebraska Revenue Act of 1967 as

1 provided in section 77-3604 and refundable credits against the income tax
2 imposed by the Nebraska Revenue Act of 1967 as provided in section
3 77-3605.

4 (7) There shall be allowed to all individuals refundable credits
5 against the income tax imposed by the Nebraska Revenue Act of 1967 as
6 provided in the Property Tax Relief Act.

7 Sec. 6. Original section 77-2715.07, Reissue Revised Statutes of
8 Nebraska, is repealed.