

AMENDMENTS TO LB825

Introduced by Briese, 41.

1 1. Insert the following new section:

2 Sec. 6. Section 77-6703, Revised Statutes Supplement, 2021, is
3 amended to read:

4 77-6703 (1) For taxable years beginning or deemed to begin on or
5 after January 1, 2020, under the Internal Revenue Code of 1986, as
6 amended, there shall be allowed to each eligible taxpayer a refundable
7 credit against the income tax imposed by the Nebraska Revenue Act of 1967
8 or against the franchise tax imposed by sections 77-3801 to 77-3807. The
9 credit shall be equal to the credit percentage for the taxable year, as
10 set by the department under subsection (2) of this section, multiplied by
11 the amount of school district taxes paid by the eligible taxpayer during
12 such taxable year.

13 (2)(a) For taxable years beginning or deemed to begin during
14 calendar year 2020, the department shall set the credit percentage so
15 that the total amount of credits for such taxable years shall be one
16 hundred twenty-five million dollars;

17 (b) For taxable years beginning or deemed to begin during calendar
18 year 2021, the department shall set the credit percentage so that the
19 total amount of credits for such taxable years shall be one hundred
20 twenty-five million dollars plus either (i) the amount calculated for
21 such calendar year under subdivision (3)(b)(ii)(B) of section 77-4602 or
22 (ii) the amount calculated for such calendar year under subdivision (3)
23 (c)(ii)(B) of section 77-4602, whichever is applicable;

24 (c) For taxable years beginning or deemed to begin during calendar
25 year 2022, the department shall set the credit percentage so that the
26 total amount of credits for such taxable years shall be five hundred
27 forty-eight million dollars ~~the maximum amount of credits allowed under~~

1 ~~subdivision (2)(b) of this section plus either (i) the amount calculated~~
2 ~~for such calendar year under subdivision (3)(b)(ii)(B) of section 77-4602~~
3 ~~or (ii) the amount calculated for such calendar year under subdivision~~
4 ~~(3)(c)(ii)(B) of section 77-4602, whichever is applicable;~~

5 (d) For taxable years beginning or deemed to begin during calendar
6 year 2023, the department shall set the credit percentage so that the
7 total amount of credits for such taxable years shall be five hundred
8 sixty million seven hundred thousand dollars ~~the maximum amount of~~
9 ~~credits allowed under subdivision (2)(c) of this section plus either (i)~~
10 ~~the amount calculated for such calendar year under subdivision (3)(b)(ii)~~
11 ~~(B) of section 77-4602 or (ii) the amount calculated for such calendar~~
12 ~~year under subdivision (3)(c)(ii)(B) of section 77-4602, whichever is~~
13 ~~applicable; and~~

14 ~~(e) For taxable years beginning or deemed to begin during calendar~~
15 ~~year 2024, the department shall set the credit percentage so that the~~
16 ~~total amount of credits for such taxable years shall be three hundred~~
17 ~~seventy-five million dollars; and~~

18 ~~(e) (f)~~ For taxable years beginning or deemed to begin during
19 calendar year 2024 ~~2025~~ and each calendar year thereafter, the department
20 shall set the credit percentage so that the total amount of credits for
21 such taxable years shall be the maximum amount of credits allowed in the
22 prior year increased by the allowable growth percentage.

23 (3) If the school district taxes are paid by a corporation having an
24 election in effect under subchapter S of the Internal Revenue Code, a
25 partnership, a limited liability company, a trust, or an estate, the
26 amount of school district taxes paid during the taxable year may be
27 allocated to the shareholders, partners, members, or beneficiaries in the
28 same proportion that income is distributed for taxable years beginning or
29 deemed to begin before January 1, 2021, under the Internal Revenue Code
30 of 1986, as amended. The department shall provide forms and schedules
31 necessary for verifying eligibility for the credit provided in this

1 section and for allocating the school district taxes paid. For taxable
2 years beginning or deemed to begin on or after January 1, 2021, under the
3 Internal Revenue Code of 1986, as amended, the refundable credit shall be
4 claimed by the corporation having an election in effect under subchapter
5 S of the Internal Revenue Code, the partnership, the limited liability
6 company, the trust, or the estate that paid the school district taxes.

7 (4) For any fiscal year or short year taxpayer, the credit may be
8 claimed in the first taxable year that begins following the calendar year
9 for which the credit percentage was determined. The credit shall be taken
10 for the school district taxes paid by the taxpayer during the immediately
11 preceding calendar year.

12 (5) For the first taxable year beginning or deemed to begin on or
13 after January 1, 2021, and before January 1, 2022, under the Internal
14 Revenue Code of 1986, as amended, for a corporation having an election in
15 effect under subchapter S of the Internal Revenue Code, a partnership, a
16 limited liability company, a trust, or an estate that paid school
17 district taxes in calendar year 2020 but did not claim the credit
18 directly or allocate such school district taxes to the shareholders,
19 partners, members, or beneficiaries as permitted under subsection (3) of
20 this section, there shall be allowed an additional refundable credit.
21 This credit shall be equal to six percent, multiplied by the amount of
22 school district taxes paid during 2020 by the eligible taxpayer.

23 2. Renumber the remaining sections and correct the repealer
24 accordingly.