

LEGISLATIVE BILL 954

Approved by the Governor April 14, 2026

Introduced by von Gillern, 4.

A BILL FOR AN ACT relating to the Nebraska Advantage Act; to amend section 77-5701, Reissue Revised Statutes of Nebraska; to provide for the recalculation of base-year employees as prescribed; to harmonize provisions; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 77-5701, Reissue Revised Statutes of Nebraska, is amended to read:

77-5701 Sections 77-5701 to 77-5735 and section 2 of this act shall be known and may be cited as the Nebraska Advantage Act.

Sec. 2. (1) If a taxpayer who has met the required levels of employment and investment contained in an agreement for a tier 6 project sells or transfers a portion of the business operations that were subject to such agreement, whether through a sale or other disposition pursuant to section 355 of the Internal Revenue Code of 1986, and the business operations that were sold or transferred continue to operate under an entity that is not part of the same unitary group as the taxpayer, the Department of Revenue shall recalculate the taxpayer's base-year employees by subtracting the number of equivalent employees employed at the business operations that were sold or transferred from the number of base-year employees calculated for the taxpayer on the last Form 312N filed prior to the date of the sale or transfer.

(2) This section shall not apply:

(a) If the business operations that were sold or transferred as described in subsection (1) of this section cease all operations within twenty-four months after the date of the sale or transfer; or

(b) If the primary business purpose of the sale or transfer described in subsection (1) of this section was to close a location.

(3) Any credits or other incentives generated prior to a sale or transfer described in subsection (1) of this section shall not be recalculated.

(4) This section applies to agreements entered into after December 31, 2016.

Sec. 3. Original section 77-5701, Reissue Revised Statutes of Nebraska, is repealed.