



Hundredth Legislature - Second Session - 2008
Introducer's Statement of Intent
LB 895

Chairperson: Ray Janssen
Committee: Revenue
Date of Hearing: February 6, 2008

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 895 would add a new tier of qualification to the Nebraska Advantage Act. The new tier would be for projects that pay at least 150 percent of the state average weekly wage or 200 percent of the county average, whichever is larger. Any business, except retail, qualifies for tier 6, a broader pool of qualifiers than the current program. Also, the number of new jobs would be 75 and the required investment \$10 million. These thresholds are higher than most tiers, but lower than the tier 4 qualifications.

Tier 6 qualifiers would receive much higher benefits, a 10 percent jobs credit and a 15 percent investment credit, compared to a maximum 6 percent jobs credit and 10 percent investment credit under the other tiers. Qualifiers could also receive an exemption for all personal property at the project compared to the current, rather limited, exemption for some personal property for tier 4 projects. Finally, tier 6 qualifiers could use any credits by obtaining reimbursement for real estate taxes paid anywhere in the state.

All in all, LB 895 would grant greater benefits to projects that can meet higher job quality standards.

Principal Introducer:

Senator Ray Janssen