

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 335

Introduced by Friend, 10.

Read first time January 15, 2009

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend sections
2 77-27,187, 77-5701, 77-5801, and 77-5901, Revised
3 Statutes Cumulative Supplement, 2008; to require
4 electronic verification of employees' legal presence in
5 the state for purposes of certain tax incentive laws;
6 to harmonize provisions; and to repeal the original
7 sections.

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

1 Section 1. Section 77-27,187, Revised Statutes Cumulative
2 Supplement, 2008, is amended to read:

3 77-27,187 Sections 77-27,187 to 77-27,195 and section 2
4 of this act shall be known and may be cited as the Nebraska
5 Advantage Rural Development Act.

6 Sec. 2. (1) The Tax Commissioner shall not approve
7 or grant to any person any tax incentive under the Nebraska
8 Advantage Rural Development Act unless the taxpayer provides
9 evidence satisfactory to the Tax Commissioner that the taxpayer
10 electronically verified the legal presence of all employees
11 employed in Nebraska.

12 (2) For purposes of calculating any tax incentive
13 available under the act, the Tax Commissioner shall exclude hours
14 worked and compensation paid to an employee that does not have
15 legal presence in Nebraska as verified under subsection (1) of this
16 section.

17 (3) This section does not apply to any application filed
18 under the act prior to the effective date of this act.

19 Sec. 3. Section 77-5701, Revised Statutes Cumulative
20 Supplement, 2008, is amended to read:

21 77-5701 Sections 77-5701 to 77-5735 and section 4 of this
22 act shall be known and may be cited as the Nebraska Advantage Act.

23 Sec. 4. (1) The Tax Commissioner shall not approve or
24 grant to any person any tax incentive under the Nebraska Advantage
25 Act unless the taxpayer provides evidence satisfactory to the Tax

1 Commissioner that the taxpayer electronically verified the legal
2 presence of all employees employed in Nebraska.

3 (2) For purposes of calculating any tax incentive under
4 the act, the Tax Commissioner shall exclude hours worked and
5 compensation paid to an employee that does not have legal presence
6 in Nebraska as verified under subsection (1) of this section.

7 (3) This section does not apply to any application filed
8 under the Nebraska Advantage Act prior to the effective date of
9 this act.

10 Sec. 5. Section 77-5801, Revised Statutes Cumulative
11 Supplement, 2008, is amended to read:

12 77-5801 Sections 77-5801 to 77-5807 and section 6 of this
13 act shall be known and may be cited as the Nebraska Advantage
14 Research and Development Act.

15 Sec. 6. The Tax Commissioner shall not approve or
16 grant to any person any tax incentive under the Nebraska
17 Advantage Research and Development Act unless the taxpayer provides
18 evidence satisfactory to the Tax Commissioner that the taxpayer
19 electronically verified the legal presence of all employees
20 employed in Nebraska. This section does not apply to any credit
21 claimed in a tax year beginning or deemed to begin before January
22 1, 2009, under the Internal Revenue Code of 1986, as amended.

23 Sec. 7. Section 77-5901, Revised Statutes Cumulative
24 Supplement, 2008, is amended to read:

25 77-5901 Sections 77-5901 to 77-5907 and section 8 of this

1 act shall be known and may be cited as the Nebraska Advantage
2 Microenterprise Tax Credit Act.

3 Sec. 8. (1) The Tax Commissioner shall not approve or
4 grant to any person any tax incentive under the Nebraska Advantage
5 Microenterprise Tax Credit Act unless the taxpayer provides
6 evidence satisfactory to the Tax Commissioner that the taxpayer
7 electronically verified the legal presence of all employees
8 employed in Nebraska.

9 (2) For purposes of calculating any tax incentive
10 available under the act, the Tax Commissioner shall exclude the
11 hours worked and compensation paid to an employee that does not
12 have legal presence in Nebraska as verified under subsection (1)
13 of this section.

14 (3) This section does not apply to any application filed
15 under the act prior to the effective date of this act.

16 Sec. 9. Original sections 77-27,187, 77-5701, 77-5801,
17 and 77-5901, Revised Statutes Cumulative Supplement, 2008, are
18 repealed.