

AMENDMENTS TO LB 642

(Amendments to Standing Committee amendments, AM493)

Introduced by Cornett

1 1. On page 1, strike beginning with "The" in line 7
2 through the underscored period in line 11 and insert

3 "(a) The department may enter into a contract with
4 an entity to recruit to the state new enterprises that will
5 generate sales taxable pursuant to section 77-2703 if the Governor
6 determines the contract to be in the best interest of the state.
7 The contract shall not be subject to the requirements of sections
8 73-201 to 73-204 and 73-504.

9 (b) The Governor's determination that a contract is in
10 the best interest of the state shall be based on the new state
11 sales tax revenue that would be generated as a result of the
12 business activity of the new enterprises recruited to the state,
13 the number of new jobs directly and indirectly created as a result
14 of the activity, and an average salary of new jobs greater than one
15 hundred fifty percent of the state average wage as determined by
16 the Department of Labor on an annual basis. The contract and all
17 supporting information shall be confidential except for the name of
18 the taxpayer, location of the taxpayer's place of business, amounts
19 of increased employment and investment, and information required to
20 be reported under subdivision (2)(e) of this section.

21 (c) A contract entered into under this section may
22 provide for the payment of an incentive that is a percentage of the

1 new state sales tax revenue generated.

2 (d) A new enterprise recruited under this subsection
3 shall be subject to all reporting, audit, enforcement, and
4 confidentiality provisions of the Nebraska Revenue Act of 1967
5 that are applicable to other sellers in the state. The state may
6 not contractually waive this requirement. In the event an incentive
7 was paid under this section on taxes subsequently determined to
8 have been paid in error, the amount of refund for such taxes shall
9 be reduced by the amount of the incentive paid.

10 (e) The Tax Commissioner shall submit an annual report
11 to the Legislature no later than July 15 each year regarding total
12 state sales tax revenue generated pursuant to this subsection. The
13 report shall include:

14 (i) A listing of the contracts which have been signed
15 during the previous calendar year;

16 (ii) A listing of the contracts which are still in
17 effect;

18 (iii) The identity of each taxpayer who is party to a
19 contract;

20 (iv) The location of each new enterprise;

21 (v) Total taxable sales occurring in this state as a
22 result of the contract authorized by this subsection;

23 (vi) Total state sales tax revenue generated by the total
24 taxable sales referred to in subdivision (2) (e) (v) of this section;

25 (vii) Total incentives paid to each new enterprise; and

26 (viii) The total number of Nebraska jobs created and the
27 average salary and benefits paid."; and in line 15 before the

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- 1 period insert "; and in line 24 after "to" insert "subsection (1)
- 2 of".".