

AMENDMENTS TO LB 983

Introduced by Revenue

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Section 77-5803, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 77-5803 (1)(a) Except as provided in subdivision (1)(b)
6 of this section, any business firm which makes expenditures in
7 research and experimental activities as defined in section 174
8 of the Internal Revenue Code of 1986, as amended, in this state
9 shall be allowed a research tax credit as provided in the Nebraska
10 Advantage Research and Development Act. The credit amount under
11 this subdivision shall equal fifteen percent of the federal credit
12 allowed under section 41 of the Internal Revenue Code of 1986, as
13 amended, or as apportioned to this state under subsection (2) of
14 this section. The credit shall be allowed for the first tax year it
15 is claimed and for the ~~four~~ twenty tax years immediately following.

16 (b) Any business firm which makes expenditures in
17 research and experimental activities as defined in section 174 of
18 the Internal Revenue Code of 1986, as amended, on the campus of a
19 college or university in this state or at a facility owned by a
20 college or university in this state shall be allowed a research
21 tax credit as provided in the Nebraska Advantage Research and
22 Development Act. The credit amount under this subdivision shall
23 equal thirty-five percent of the federal credit allowed under

1 section 41 of the Internal Revenue Code of 1986, as amended, or as
2 apportioned to this state under subsection (2) of this section. The
3 credit shall be allowed for the first tax year it is claimed and
4 for the ~~four~~ twenty tax years immediately following.

5 (2) For any business firm doing business both within
6 and without this state, the amount of the federal credit may
7 be determined either by dividing the amount expended in research
8 and experimental activities in this state in any tax year by the
9 total amount expended in research and experimental activities or
10 by apportioning the amount of the credit on the federal income tax
11 return to the state based on the average of the property factor
12 as determined in section 77-2734.12 and the payroll factor as
13 determined in section 77-2734.13.

14 Sec. 2. This act becomes operative for all taxable years
15 beginning or deemed to begin on or after January 1, 2012, under the
16 Internal Revenue Code of 1986, as amended.

17 Sec. 3. Original section 77-5803, Reissue Revised
18 Statutes of Nebraska, is repealed.