

AMENDMENTS TO LB 82

Introduced by Revenue

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

3           Section 1. (1) To encourage private investment and  
4 to mobilize private capital for public purposes, the Taxpayer  
5 Investment Program is created.

6           (2) Any person may from time to time pay to the state an  
7 advance tax payment. Each such payment made shall be known as a tax  
8 investment and shall be identified on the books and records of the  
9 Department of Revenue. Commencing on the earlier of five calendar  
10 years after the making of a tax investment or, in the case of an  
11 individual taxpayer, the taxpayer being sixty-two years of age or  
12 the death of the taxpayer, the taxpayer making the tax investment  
13 shall be entitled to claim a tax credit under sections 77-2703,  
14 77-2715.07, and 77-2734.03 in an amount equal to the tax investment  
15 multiplied by the program rate.

16           (3) For purposes of this section, program rate means  
17 the sum of (a) an inflation adjustment calculated by dividing the  
18 United States Department of Labor, Bureau of Labor Statistics,  
19 Consumer Price Index for All Urban Consumers, U.S. City Average,  
20 All Items factor, on June 30 of the year the credit is claimed  
21 by the Consumer Price Index for All Urban Consumers, U.S. City  
22 Average, All Items factor, for the month in which the tax  
23 investment was made, plus (b) the lesser of the annual United

1 States Government Bond Yield for Ten-Year Notes on the last  
2 business day of the month in which the tax investment was  
3 made or five percent per annum, times the number of years, or  
4 fraction thereof, between the making of the tax investment and the  
5 claiming of the tax credit. If the Consumer Price Index for All  
6 Urban Consumers is no longer published, then the factor shall be  
7 determined by use of an index having similar function.

8 (4) The sums paid to the state pursuant to the program  
9 shall become the property of the state. The sums shall be credited  
10 to the State Highway Capital Improvement Fund. The tax credits to  
11 which the taxpayer may be entitled to claim as a result thereof  
12 are not a debt or general obligation of the state. The tax credits  
13 (a) are not refundable, (b) are not taxable as state income, (c)  
14 have recourse only as provided in sections 77-2703, 77-2715.07,  
15 and 77-2734.03 for taxes otherwise coming due from the taxpayer  
16 or taxpayer's assignee subsequent to the time when the claim for  
17 the tax credit can be made pursuant to subsection (2) of this  
18 section, (d) may be claimed only as a credit against the taxpayer's  
19 liability for taxes in years subsequent to the time of commencement  
20 provided for in subsection (2) of this section, and (e) except as  
21 provided in this section, may not be transferred.

22 (5) Unless otherwise agreed between taxpayers, credits  
23 arising out of payments made in a year in which a joint individual  
24 tax return was filed shall be held as joint tenants with rights  
25 of survivorship between such joint filers. A taxpayer's tax credits  
26 remaining unclaimed upon the death of the taxpayer entitled to  
27 claim the credit shall be used under sections 77-2703, 77-2715.07,

1 and 77-2734.03 for taxes due from the decedent with the balance,  
2 if any, first reducing any inheritance tax arising as a result of  
3 the death of such decedent, then applied to reimburse the state for  
4 any aid or assistance paid by the state to or on behalf of the  
5 decedent under Chapter 68, and then, upon payment to the state of a  
6 transfer fee equal to ten percent of the credit, may be transferred  
7 to the heirs or devisees of the decedent pursuant to the laws of  
8 testacy or intestate succession. In cases not involving a transfer  
9 from a decedent, upon payment of a transaction transfer fee to the  
10 state of ten percent of the credit transferred and the cancellation  
11 of the corresponding credit amount arising under subdivision (3) (b)  
12 of this section, a credit, not to exceed the underlying tax  
13 investment adjusted for inflation pursuant to subdivision (3) (a)  
14 of this section, may be transferred. In such case, the transferee  
15 shall be entitled to the credit transferred in the same manner  
16 as if the taxpayer were the original depositor. A transfer of  
17 credits in a merger, consolidation, reorganization, split up,  
18 spin off, or similar restructuring of a business corporation,  
19 professional corporation, or limited liability company shall not be  
20 a transfer for purposes of this subsection. The credits shall not  
21 be considered a security subject to the Securities Act of Nebraska.

22 (6) A taxpayer must claim credits held by the taxpayer  
23 on a first paid, first claimed basis. Credits once claimed are  
24 extinguished. The state may redeem outstanding credits by paying to  
25 the taxpayer entitled thereto the tax investment multiplied by the  
26 program rate or, in the case of a transferred credit, such lesser  
27 amount paid for the credit.

1           (7) Credits expire unless claimed within twenty years of  
2 the underlying payment or, in the case of credits held by the  
3 original payor, five years from the later of the date of death of  
4 the payor, or if applicable, the surviving joint filer.

5           (8) The Tax Commissioner may adopt and promulgate rules  
6 and regulations to carry out this section.

7           Sec. 2. Section 39-2703, Revised Statutes Cumulative  
8 Supplement, 2012, is amended to read:

9           39-2703 (1) The State Highway Capital Improvement Fund  
10 is created. The fund shall consist of money credited to the fund  
11 pursuant to section 77-27,132 and section 1 of this act and any  
12 other money as determined by the Legislature.

13           (2) The department may create or direct the creation  
14 of accounts within the fund as the department determines to be  
15 appropriate and useful in administering the fund.

16           (3) Any money in the fund available for investment  
17 shall be invested by the state investment officer pursuant to  
18 the Nebraska Capital Expansion Act and the Nebraska State Funds  
19 Investment Act. Investment earnings from investment of money in the  
20 fund shall be credited to the fund.

21           Sec. 3. Section 77-2701, Revised Statutes Cumulative  
22 Supplement, 2012, is amended to read:

23           77-2701 Sections 77-2701 to 77-27,135.01 and 77-27,228 to  
24 77-27,236 and section 1 of this act shall be known and may be cited  
25 as the Nebraska Revenue Act of 1967.

26           Sec. 4. Section 77-2703, Revised Statutes Cumulative  
27 Supplement, 2012, is amended to read:

1           77-2703 (1) There is hereby imposed a tax at the rate  
2 provided in section 77-2701.02 upon the gross receipts from all  
3 sales of tangible personal property sold at retail in this state;  
4 the gross receipts of every person engaged as a public utility,  
5 as a community antenna television service operator, or as a  
6 satellite service operator, any person involved in the connecting  
7 and installing of the services defined in subdivision (2)(a), (b),  
8 (d), or (e) of section 77-2701.16, or every person engaged as  
9 a retailer of intellectual or entertainment properties referred  
10 to in subsection (3) of section 77-2701.16; the gross receipts  
11 from the sale of admissions in this state; the gross receipts  
12 from the sale of warranties, guarantees, service agreements, or  
13 maintenance agreements when the items covered are subject to tax  
14 under this section; beginning January 1, 2008, the gross receipts  
15 from the sale of bundled transactions when one or more of the  
16 products included in the bundle are taxable; the gross receipts  
17 from the provision of services defined in subsection (4) of section  
18 77-2701.16; and the gross receipts from the sale of products  
19 delivered electronically as described in subsection (9) of section  
20 77-2701.16. Except as provided in section 77-2701.03, when there is  
21 a sale, the tax shall be imposed at the rate in effect at the time  
22 the gross receipts are realized under the accounting basis used by  
23 the retailer to maintain his or her books and records.

24           (a) The tax imposed by this section shall be collected  
25 by the retailer from the consumer. It shall constitute a part of  
26 the purchase price and until collected shall be a debt from the  
27 consumer to the retailer and shall be recoverable at law in the

1 same manner as other debts. The tax required to be collected by the  
2 retailer from the consumer constitutes a debt owed by the retailer  
3 to this state.

4 (b) It is unlawful for any retailer to advertise, hold  
5 out, or state to the public or to any customer, directly or  
6 indirectly, that the tax or part thereof will be assumed or  
7 absorbed by the retailer, that it will not be added to the selling,  
8 renting, or leasing price of the property sold, rented, or leased,  
9 or that, if added, it or any part thereof will be refunded. The  
10 provisions of this subdivision shall not apply to a public utility.

11 (c) The tax required to be collected by the retailer from  
12 the purchaser, unless otherwise provided by statute or by rule and  
13 regulation of the Tax Commissioner, shall be displayed separately  
14 from the list price, the price advertised in the premises, the  
15 marked price, or other price on the sales check or other proof of  
16 sales, rentals, or leases.

17 (d) For the purpose of more efficiently securing the  
18 payment, collection, and accounting for the sales tax and for the  
19 convenience of the retailer in collecting the sales tax, it shall  
20 be the duty of the Tax Commissioner to provide a schedule or  
21 schedules of the amounts to be collected from the consumer or user  
22 to effectuate the computation and collection of the tax imposed  
23 by the Nebraska Revenue Act of 1967. Such schedule or schedules  
24 shall provide that the tax shall be collected from the consumer  
25 or user uniformly on sales according to brackets based on sales  
26 prices of the item or items. Retailers may compute the tax due on  
27 any transaction on an item or an invoice basis. The rounding rule

1 provided in section 77-3,117 applies.

2 (e) The use of tokens or stamps for the purpose of  
3 collecting or enforcing the collection of the taxes imposed in the  
4 Nebraska Revenue Act of 1967 or for any other purpose in connection  
5 with such taxes is prohibited.

6 (f) For the purpose of the proper administration of the  
7 provisions of the Nebraska Revenue Act of 1967 and to prevent  
8 evasion of the retail sales tax, it shall be presumed that all  
9 gross receipts are subject to the tax until the contrary is  
10 established. The burden of proving that a sale of property is not  
11 a sale at retail is upon the person who makes the sale unless he  
12 or she takes from the purchaser (i) a resale certificate to the  
13 effect that the property is purchased for the purpose of reselling,  
14 leasing, or renting it, (ii) an exemption certificate pursuant to  
15 subsection (7) of section 77-2705, or (iii) a direct payment permit  
16 pursuant to sections 77-2705.01 to 77-2705.03. Receipt of a resale  
17 certificate, exemption certificate, or direct payment permit shall  
18 be conclusive proof for the seller that the sale was made for  
19 resale or was exempt or that the tax will be paid directly to the  
20 state.

21 (g) In the rental or lease of automobiles, trucks,  
22 trailers, semitrailers, and truck-tractors as defined in the Motor  
23 Vehicle Registration Act, the tax shall be collected by the lessor  
24 on the rental or lease price, except as otherwise provided within  
25 this section.

26 (h) In the rental or lease of automobiles, trucks,  
27 trailers, semitrailers, and truck-tractors as defined in the act,

1 for periods of one year or more, the lessor may elect not to  
2 collect and remit the sales tax on the gross receipts and instead  
3 pay a sales tax on the cost of such vehicle. If such election is  
4 made, it shall be made pursuant to the following conditions:

5 (i) Notice of the desire to make such election shall  
6 be filed with the Tax Commissioner and shall not become effective  
7 until the Tax Commissioner is satisfied that the taxpayer has  
8 complied with all conditions of this subsection and all rules and  
9 regulations of the Tax Commissioner;

10 (ii) Such election when made shall continue in force and  
11 effect for a period of not less than two years and thereafter until  
12 such time as the lessor elects to terminate the election;

13 (iii) When such election is made, it shall apply to all  
14 vehicles of the lessor rented or leased for periods of one year or  
15 more except vehicles to be leased to common or contract carriers  
16 who provide to the lessor a valid common or contract carrier  
17 exemption certificate. If the lessor rents or leases other vehicles  
18 for periods of less than one year, such lessor shall maintain his  
19 or her books and records and his or her accounting procedure as the  
20 Tax Commissioner prescribes; and

21 (iv) The Tax Commissioner by rule and regulation shall  
22 prescribe the contents and form of the notice of election, a  
23 procedure for the determination of the tax base of vehicles which  
24 are under an existing lease at the time such election becomes  
25 effective, the method and manner for terminating such election, and  
26 such other rules and regulations as may be necessary for the proper  
27 administration of this subdivision.



1           (i) The tax imposed by this section on the sales of  
2 motor vehicles, semitrailers, and trailers as defined in sections  
3 60-339, 60-348, and 60-354 shall be the liability of the purchaser  
4 and, with the exception of motor vehicles, semitrailers, and  
5 trailers registered pursuant to section 60-3,198, the tax shall be  
6 collected by the county treasurer as provided in the Motor Vehicle  
7 Registration Act at the time the purchaser makes application for  
8 the registration of the motor vehicle, semitrailer, or trailer for  
9 operation upon the highways of this state. The tax imposed by this  
10 section on motor vehicles, semitrailers, and trailers registered  
11 pursuant to section 60-3,198 shall be collected by the Department  
12 of Motor Vehicles at the time the purchaser makes application for  
13 the registration of the motor vehicle, semitrailer, or trailer for  
14 operation upon the highways of this state. At the time of the sale  
15 of any motor vehicle, semitrailer, or trailer, the seller shall (i)  
16 state on the sales invoice the dollar amount of the tax imposed  
17 under this section and (ii) furnish to the purchaser a certified  
18 statement of the transaction, in such form as the Tax Commissioner  
19 prescribes, setting forth as a minimum the total sales price, the  
20 allowance for any trade-in, and the difference between the two.  
21 The sales tax due shall be computed on the difference between the  
22 total sales price and the allowance for any trade-in as disclosed  
23 by such certified statement. Any seller who willfully understates  
24 the amount upon which the sales tax is due shall be subject to a  
25 penalty of one thousand dollars. A copy of such certified statement  
26 shall also be furnished to the Tax Commissioner. Any seller who  
27 fails or refuses to furnish such certified statement shall be

1 guilty of a misdemeanor and shall, upon conviction thereof, be  
2 punished by a fine of not less than twenty-five dollars nor more  
3 than one hundred dollars. If the seller fails to state on the sales  
4 invoice the dollar amount of the tax due, the purchaser shall have  
5 the right and authority to rescind any agreement for purchase and  
6 to declare the purchase null and void. If the purchaser retains  
7 such motor vehicle, semitrailer, or trailer in this state and  
8 does not register it for operation on the highways of this state  
9 within thirty days of the purchase thereof, the tax imposed by this  
10 section shall immediately thereafter be paid by the purchaser to  
11 the county treasurer or the Department of Motor Vehicles. If the  
12 tax is not paid on or before the thirtieth day after its purchase,  
13 the county treasurer or Department of Motor Vehicles shall also  
14 collect from the purchaser interest from the thirtieth day through  
15 the date of payment and sales tax penalties as provided in the  
16 Nebraska Revenue Act of 1967. The county treasurer or Department  
17 of Motor Vehicles shall report and remit the tax so collected to  
18 the Tax Commissioner by the fifteenth day of the following month.  
19 The county treasurer shall deduct and withhold for the use of the  
20 county general fund, from all amounts required to be collected  
21 under this subsection, the collection fee permitted to be deducted  
22 by any retailer collecting the sales tax. The Department of Motor  
23 Vehicles shall deduct, withhold, and deposit in the Motor Carrier  
24 Division Cash Fund the collection fee permitted to be deducted by  
25 any retailer collecting the sales tax. The collection fee shall be  
26 forfeited if the county treasurer or Department of Motor Vehicles  
27 violates any rule or regulation pertaining to the collection of the

1 use tax.

2 (j)(i) The tax imposed by this section on the sale of a  
3 motorboat as defined in section 37-1204 shall be the liability of  
4 the purchaser. The tax shall be collected by the county treasurer  
5 at the time the purchaser makes application for the registration  
6 of the motorboat. At the time of the sale of a motorboat, the  
7 seller shall (A) state on the sales invoice the dollar amount  
8 of the tax imposed under this section and (B) furnish to the  
9 purchaser a certified statement of the transaction, in such form  
10 as the Tax Commissioner prescribes, setting forth as a minimum  
11 the total sales price, the allowance for any trade-in, and the  
12 difference between the two. The sales tax due shall be computed  
13 on the difference between the total sales price and the allowance  
14 for any trade-in as disclosed by such certified statement. Any  
15 seller who willfully understates the amount upon which the sales  
16 tax is due shall be subject to a penalty of one thousand dollars.  
17 A copy of such certified statement shall also be furnished to the  
18 Tax Commissioner. Any seller who fails or refuses to furnish such  
19 certified statement shall be guilty of a misdemeanor and shall,  
20 upon conviction thereof, be punished by a fine of not less than  
21 twenty-five dollars nor more than one hundred dollars. If the  
22 seller fails to state on the sales invoice the dollar amount of  
23 the tax due, the purchaser shall have the right and authority to  
24 rescind any agreement for purchase and to declare the purchase null  
25 and void. If the purchaser retains such motorboat in this state and  
26 does not register it within thirty days of the purchase thereof,  
27 the tax imposed by this section shall immediately thereafter be

1 paid by the purchaser to the county treasurer. If the tax is  
2 not paid on or before the thirtieth day after its purchase, the  
3 county treasurer shall also collect from the purchaser interest  
4 from the thirtieth day through the date of payment and sales tax  
5 penalties as provided in the Nebraska Revenue Act of 1967. The  
6 county treasurer shall report and remit the tax so collected to  
7 the Tax Commissioner by the fifteenth day of the following month.  
8 The county treasurer shall deduct and withhold for the use of the  
9 county general fund, from all amounts required to be collected  
10 under this subsection, the collection fee permitted to be deducted  
11 by any retailer collecting the sales tax. The collection fee  
12 shall be forfeited if the county treasurer violates any rule or  
13 regulation pertaining to the collection of the use tax.

14 (ii) In the rental or lease of motorboats, the tax shall  
15 be collected by the lessor on the rental or lease price.

16 (k) The Tax Commissioner shall adopt and promulgate  
17 necessary rules and regulations for determining the amount subject  
18 to the taxes imposed by this section so as to insure that the  
19 full amount of any applicable tax is paid in cases in which a  
20 sale is made of which a part is subject to the taxes imposed by  
21 this section and a part of which is not so subject and a separate  
22 accounting is not practical or economical.

23 (2) A use tax is hereby imposed on the storage, use, or  
24 other consumption in this state of property purchased, leased, or  
25 rented from any retailer and on any transaction the gross receipts  
26 of which are subject to tax under subsection (1) of this section  
27 on or after June 1, 1967, for storage, use, or other consumption

1 in this state at the rate set as provided in subsection (1) of  
2 this section on the sales price of the property or, in the case of  
3 leases or rentals, of the lease or rental prices.

4 (a) Every person storing, using, or otherwise consuming  
5 in this state property purchased from a retailer or leased or  
6 rented from another person for such purpose shall be liable for the  
7 use tax at the rate in effect when his or her liability for the  
8 use tax becomes certain under the accounting basis used to maintain  
9 his or her books and records. His or her liability shall not be  
10 extinguished until the use tax has been paid to this state, except  
11 that a receipt from a retailer engaged in business in this state  
12 or from a retailer who is authorized by the Tax Commissioner, under  
13 such rules and regulations as he or she may prescribe, to collect  
14 the sales tax and who is, for the purposes of the Nebraska Revenue  
15 Act of 1967 relating to the sales tax, regarded as a retailer  
16 engaged in business in this state, which receipt is given to the  
17 purchaser pursuant to subdivision (b) of this subsection, shall be  
18 sufficient to relieve the purchaser from further liability for the  
19 tax to which the receipt refers.

20 (b) Every retailer engaged in business in this state and  
21 selling, leasing, or renting property for storage, use, or other  
22 consumption in this state shall, at the time of making any sale,  
23 collect any tax which may be due from the purchaser and shall give  
24 to the purchaser, upon request, a receipt therefor in the manner  
25 and form prescribed by the Tax Commissioner.

26 (c) The Tax Commissioner, in order to facilitate the  
27 proper administration of the use tax, may designate such person or

1 persons as he or she may deem necessary to be use tax collectors  
2 and delegate to such persons such authority as is necessary to  
3 collect any use tax which is due and payable to the State of  
4 Nebraska. The Tax Commissioner may require of all persons so  
5 designated a surety bond in favor of the State of Nebraska to  
6 insure against any misappropriation of state funds so collected.  
7 The Tax Commissioner may require any tax official, city, county, or  
8 state, to collect the use tax on behalf of the state. All persons  
9 designated to or required to collect the use tax shall account for  
10 such collections in the manner prescribed by the Tax Commissioner.  
11 Nothing in this subdivision shall be so construed as to prevent the  
12 Tax Commissioner or his or her employees from collecting any use  
13 taxes due and payable to the State of Nebraska.

14 (d) All persons designated to collect the use tax and all  
15 persons required to collect the use tax shall forward the total of  
16 such collections to the Tax Commissioner at such time and in such  
17 manner as the Tax Commissioner may prescribe. For all use taxes  
18 collected prior to October 1, 2002, such collectors of the use tax  
19 shall deduct and withhold from the amount of taxes collected two  
20 and one-half percent of the first three thousand dollars remitted  
21 each month and one-half of one percent of all amounts in excess  
22 of three thousand dollars remitted each month as reimbursement  
23 for the cost of collecting the tax. For use taxes collected on  
24 and after October 1, 2002, such collectors of the use tax shall  
25 deduct and withhold from the amount of taxes collected two and  
26 one-half percent of the first three thousand dollars remitted each  
27 month as reimbursement for the cost of collecting the tax. Any

1 such deduction shall be forfeited to the State of Nebraska if such  
2 collector violates any rule, regulation, or directive of the Tax  
3 Commissioner.

4 (e) For the purpose of the proper administration of the  
5 Nebraska Revenue Act of 1967 and to prevent evasion of the use tax,  
6 it shall be presumed that property sold, leased, or rented by any  
7 person for delivery in this state is sold, leased, or rented for  
8 storage, use, or other consumption in this state until the contrary  
9 is established. The burden of proving the contrary is upon the  
10 person who purchases, leases, or rents the property.

11 (f) For the purpose of the proper administration of the  
12 Nebraska Revenue Act of 1967 and to prevent evasion of the use tax,  
13 for the sale of property to an advertising agency which purchases  
14 the property as an agent for a disclosed or undisclosed principal,  
15 the advertising agency is and remains liable for the sales and  
16 use tax on the purchase the same as if the principal had made the  
17 purchase directly.

18 (3) Except for the tax imposed on the sale of a  
19 motorboat as defined in section 37-1204, there shall be allowed a  
20 nonrefundable credit against any tax imposed under this section to  
21 a taxpayer as provided in the Taxpayer Investment Program.

22 Sec. 5. Section 77-2715.07, Revised Statutes Cumulative  
23 Supplement, 2012, is amended to read:

24 77-2715.07 (1) There shall be allowed to qualified  
25 resident individuals as a nonrefundable credit against the income  
26 tax imposed by the Nebraska Revenue Act of 1967:

27 (a) A credit equal to the federal credit allowed under

1 section 22 of the Internal Revenue Code; and

2 (b) A credit for taxes paid to another state as provided  
3 in section 77-2730.

4 (2) There shall be allowed to qualified resident  
5 individuals against the income tax imposed by the Nebraska Revenue  
6 Act of 1967:

7 (a) For returns filed reporting federal adjusted  
8 gross incomes of greater than twenty-nine thousand dollars, a  
9 nonrefundable credit equal to twenty-five percent of the federal  
10 credit allowed under section 21 of the Internal Revenue Code of  
11 1986, as amended;

12 (b) For returns filed reporting federal adjusted gross  
13 income of twenty-nine thousand dollars or less, a refundable credit  
14 equal to a percentage of the federal credit allowable under section  
15 21 of the Internal Revenue Code of 1986, as amended, whether or  
16 not the federal credit was limited by the federal tax liability.  
17 The percentage of the federal credit shall be one hundred percent  
18 for incomes not greater than twenty-two thousand dollars, and  
19 the percentage shall be reduced by ten percent for each one  
20 thousand dollars, or fraction thereof, by which the reported  
21 federal adjusted gross income exceeds twenty-two thousand dollars;

22 (c) A refundable credit as provided in section 77-5209.01  
23 for individuals who qualify for an income tax credit as a qualified  
24 beginning farmer or livestock producer under the Beginning Farmer  
25 Tax Credit Act for all taxable years beginning or deemed to begin  
26 on or after January 1, 2006, under the Internal Revenue Code of  
27 1986, as amended;



1 (d) A refundable credit for individuals who qualify for  
2 an income tax credit under the Angel Investment Tax Credit Act, the  
3 Nebraska Advantage Microenterprise Tax Credit Act, or the Nebraska  
4 Advantage Research and Development Act; and

5 (e) A refundable credit equal to ten percent of the  
6 federal credit allowed under section 32 of the Internal Revenue  
7 Code of 1986, as amended.

8 (3) There shall be allowed to all individuals as a  
9 nonrefundable credit against the income tax imposed by the Nebraska  
10 Revenue Act of 1967:

11 (a) A credit for personal exemptions allowed under  
12 section 77-2716.01;

13 (b) A credit for contributions to certified community  
14 betterment programs as provided in the Community Development  
15 Assistance Act. Each partner, each shareholder of an electing  
16 subchapter S corporation, each beneficiary of an estate or trust,  
17 or each member of a limited liability company shall report his or  
18 her share of the credit in the same manner and proportion as he  
19 or she reports the partnership, subchapter S corporation, estate,  
20 trust, or limited liability company income;

21 (c) A credit for investment in a biodiesel facility as  
22 provided in section 77-27,236; and

23 (d) A credit as provided in the New Markets Job Growth  
24 Investment Act; and -

25 (e) A credit as provided in the Taxpayer Investment  
26 Program.

27 (4) There shall be allowed as a credit against the income

1 tax imposed by the Nebraska Revenue Act of 1967:

2 (a) A credit to all resident estates and trusts for taxes  
3 paid to another state as provided in section 77-2730;

4 (b) A credit to all estates and trusts for contributions  
5 to certified community betterment programs as provided in the  
6 Community Development Assistance Act; and

7 (c) A refundable credit for individuals who qualify for  
8 an income tax credit as an owner of agricultural assets under the  
9 Beginning Farmer Tax Credit Act for all taxable years beginning  
10 or deemed to begin on or after January 1, 2009, under the  
11 Internal Revenue Code of 1986, as amended. The credit allowed  
12 for each partner, shareholder, member, or beneficiary of a  
13 partnership, corporation, limited liability company, or estate  
14 or trust qualifying for an income tax credit as an owner of  
15 agricultural assets under the Beginning Farmer Tax Credit Act  
16 shall be equal to the partner's, shareholder's, member's, or  
17 beneficiary's portion of the amount of tax credit distributed  
18 pursuant to subsection (4) of section 77-5211.

19 (5)(a) For all taxable years beginning on or after  
20 January 1, 2007, and before January 1, 2009, under the Internal  
21 Revenue Code of 1986, as amended, there shall be allowed to each  
22 partner, shareholder, member, or beneficiary of a partnership,  
23 subchapter S corporation, limited liability company, or estate or  
24 trust a nonrefundable credit against the income tax imposed by  
25 the Nebraska Revenue Act of 1967 equal to fifty percent of the  
26 partner's, shareholder's, member's, or beneficiary's portion of the  
27 amount of franchise tax paid to the state under sections 77-3801 to

1 77-3807 by a financial institution.

2 (b) For all taxable years beginning on or after January  
3 1, 2009, under the Internal Revenue Code of 1986, as amended,  
4 there shall be allowed to each partner, shareholder, member, or  
5 beneficiary of a partnership, subchapter S corporation, limited  
6 liability company, or estate or trust a nonrefundable credit  
7 against the income tax imposed by the Nebraska Revenue Act of 1967  
8 equal to the partner's, shareholder's, member's, or beneficiary's  
9 portion of the amount of franchise tax paid to the state under  
10 sections 77-3801 to 77-3807 by a financial institution.

11 (c) Each partner, shareholder, member, or beneficiary  
12 shall report his or her share of the credit in the same manner  
13 and proportion as he or she reports the partnership, subchapter S  
14 corporation, limited liability company, or estate or trust income.  
15 If any partner, shareholder, member, or beneficiary cannot fully  
16 utilize the credit for that year, the credit may not be carried  
17 forward or back.

18 Sec. 6. Section 77-2734.03, Revised Statutes Cumulative  
19 Supplement, 2012, is amended to read:

20 77-2734.03 (1)(a) For taxable years commencing prior to  
21 January 1, 1997, any (i) insurer paying a tax on premiums and  
22 assessments pursuant to section 77-908 or 81-523, (ii) electric  
23 cooperative organized under the Joint Public Power Authority Act,  
24 or (iii) credit union shall be credited, in the computation of  
25 the tax due under the Nebraska Revenue Act of 1967, with the  
26 amount paid during the taxable year as taxes on such premiums and  
27 assessments and taxes in lieu of intangible tax.

1           (b) For taxable years commencing on or after January 1,  
2 1997, any insurer paying a tax on premiums and assessments pursuant  
3 to section 77-908 or 81-523, any electric cooperative organized  
4 under the Joint Public Power Authority Act, or any credit union  
5 shall be credited, in the computation of the tax due under the  
6 Nebraska Revenue Act of 1967, with the amount paid during the  
7 taxable year as (i) taxes on such premiums and assessments included  
8 as Nebraska premiums and assessments under section 77-2734.05 and  
9 (ii) taxes in lieu of intangible tax.

10           (c) For taxable years commencing or deemed to commence  
11 prior to, on, or after January 1, 1998, any insurer paying a tax on  
12 premiums and assessments pursuant to section 77-908 or 81-523 shall  
13 be credited, in the computation of the tax due under the Nebraska  
14 Revenue Act of 1967, with the amount paid during the taxable year  
15 as assessments allowed as an offset against premium and related  
16 retaliatory tax liability pursuant to section 44-4233.

17           (2) There shall be allowed to corporate taxpayers a  
18 tax credit for contributions to community betterment programs as  
19 provided in the Community Development Assistance Act.

20           (3) There shall be allowed to corporate taxpayers a  
21 refundable income tax credit under the Beginning Farmer Tax Credit  
22 Act for all taxable years beginning or deemed to begin on or  
23 after January 1, 2001, under the Internal Revenue Code of 1986, as  
24 amended.

25           (4) The changes made to this section by Laws 2004, LB  
26 983, apply to motor fuels purchased during any tax year ending  
27 or deemed to end on or after January 1, 2005, under the Internal

1 Revenue Code of 1986, as amended.

2 (5) There shall be allowed to corporate taxpayers  
3 refundable income tax credits under the Nebraska Advantage  
4 Microenterprise Tax Credit Act and the Nebraska Advantage Research  
5 and Development Act.

6 (6) There shall be allowed to corporate taxpayers a  
7 nonrefundable income tax credit for investment in a biodiesel  
8 facility as provided in section 77-27,236.

9 (7) There shall be allowed to corporate taxpayers a  
10 nonrefundable income tax credit as provided in the New Markets Job  
11 Growth Investment Act.

12 (8) There shall be allowed to corporate taxpayers a  
13 nonrefundable income tax credit as provided in the Taxpayer  
14 Investment Program.

15 Sec. 7. If any section in this act or any part of any  
16 section is declared invalid or unconstitutional, the declaration  
17 shall not affect the validity or constitutionality of the remaining  
18 portions.

19 Sec. 8. Original sections 39-2703, 77-2701, 77-2703,  
20 77-2715.07, and 77-2734.03, Revised Statutes Cumulative Supplement,  
21 2012, are repealed.