

AMENDMENTS TO LB889

Introduced by Revenue.

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

3 Section 1. Sections 1 to 7 of this act shall be known and may be
4 cited as the School Readiness Tax Credit Act.

5 Sec. 2. The Legislature finds that the benefits of quality child
6 care and early childhood education are indisputable and that a striking
7 connection exists between children's learning experiences well before
8 kindergarten and their later school success.

9 Sec. 3. For purposes of the School Readiness Tax Credit Act:

10 (1) Child means an individual who is five years of age or less;

11 (2) Child care and education provider means a person who owns or
12 operates an eligible program;

13 (3) Department means the Department of Revenue;

14 (4) Eligible program means an applicable child care and early
15 childhood education program as defined in section 71-1954 that has
16 applied to participate in the quality rating and improvement system
17 developed under the Step Up to Quality Child Care Act and has been
18 assigned a quality scale rating;

19 (5) Eligible staff member means an individual who is employed with
20 an eligible program for at least six months of the taxable year and who
21 is listed in the Nebraska Early Childhood Professional Record System and
22 classified as provided in subsection (4) of section 71-1962. Eligible
23 staff member does not include certificated teaching and administrative
24 staff employed by programs established pursuant to section 79-1104; and

25 (6) Quality scale rating means the rating of an eligible program
26 under the Step Up to Quality Child Care Act which is expressed in terms
27 of steps, with step one being the lowest rating and step five being the

1 highest rating.

2 Sec. 4. (1) A child care and education provider whose eligible
3 program provides services to children who participate in the child care
4 subsidy program established pursuant to section 68-1202 may apply to the
5 department to receive a nonrefundable tax credit against the income tax
6 imposed by the Nebraska Revenue Act of 1967.

7 (2) The nonrefundable credit provided in this section shall be an
8 amount equal to the average monthly number of children described in
9 subsection (1) of this section who are attending the child care and
10 education provider's eligible program, multiplied by an amount based upon
11 the quality scale rating of such eligible program as follows:

12 <u>Quality Scale Rating of Eligible Program</u>	13 <u>Tax Credit Per Child Attending</u> <u>Eligible Program</u>
14 <u>Step Five</u>	14 <u>\$750</u>
15 <u>Step Four</u>	15 <u>\$500</u>
16 <u>Step Three</u>	16 <u>\$250</u>
17 <u>Step Two</u>	17 <u>\$0</u>
18 <u>Step One</u>	18 <u>\$0</u>

19 (3) A child care and education provider shall apply for the credit
20 provided in this section by submitting an application to the department
21 with the following information:

22 (a) The number of children described in subsection (1) of this
23 section who attended the child care and education provider's eligible
24 program during each month of the most recently completed taxable year;

25 (b) Documentation to show the quality scale rating of the child care
26 and education provider's eligible program; and

27 (c) Any other documentation required by the department.

28 (4) Subject to subsection (5) of this section, if the department
29 determines that the child care and education provider qualifies for tax
30 credits under this section, it shall approve the application and certify

1 the amount of credits approved to the child care and education provider.

2 (5) The department shall consider applications in the order in which
3 they are received and may approve tax credits under this section in any
4 taxable year until the aggregate limit allowed under subsection (1) of
5 section 6 of this act has been reached.

6 (6) The credit provided in this section shall be available for
7 taxable years beginning or deemed to begin on or after January 1, 2017,
8 and before January 1, 2022, under the Internal Revenue Code of 1986, as
9 amended.

10 Sec. 5. (1) An eligible staff member may apply to the department to
11 receive a refundable tax credit against the income tax imposed by the
12 Nebraska Revenue Act of 1967. The amount of the credit shall be based on
13 the eligible staff member's classification under subsection (4) of
14 section 71-1962 as follows:

<u>Eligible Staff Member's Classification</u>	<u>Tax Credit</u>
<u>Level Four</u>	<u>\$1,500</u>
<u>Level Three</u>	<u>\$1,250</u>
<u>Level Two</u>	<u>\$750</u>
<u>Level One</u>	<u>\$500</u>

20 (2) An eligible staff member shall apply for the credit provided in
21 this section by submitting an application to the department with the
22 following information:

23 (a) The eligible staff member's name and place of employment;

24 (b) An attestation form provided by the Nebraska Early Childhood
25 Professional Record System verifying the level at which the eligible
26 staff member is classified under subsection (4) of section 71-1962; and

27 (c) Any other documentation required by the department.

28 (3) Subject to subsection (4) of this section, if the department
29 determines that the eligible staff member qualifies for tax credits under
30 this section, it shall approve the application and certify the amount of

1 credits approved to the eligible staff member.

2 (4) The department shall consider applications in the order in which
3 they are received and may approve tax credits under this section in any
4 taxable year until the aggregate limit allowed under subsection (1) of
5 section 6 of this act has been reached.

6 (5) The credit provided in this section shall be available for
7 taxable years beginning or deemed to begin on or after January 1, 2017,
8 and before January 1, 2022, under the Internal Revenue Code of 1986, as
9 amended.

10 (6) For taxable years beginning or deemed to begin on or after
11 January 1, 2018, and before January 1, 2022, under the Internal Revenue
12 Code of 1986, as amended, the Tax Commissioner shall adjust the credit
13 amounts provided for in subsection (1) of this section by the percentage
14 change in the Consumer Price Index for All Urban Consumers, as prepared
15 by the United States Department of Labor, Bureau of Labor Statistics, for
16 the twelve-month period ending on August 31 of the year preceding the
17 taxable year.

18 Sec. 6. (1) The department may approve tax credits under the School
19 Readiness Tax Credit Act each taxable year until the total amount of
20 credits approved for the taxable year reaches five million dollars.

21 (2) A child care and education provider shall claim any tax credits
22 granted under the act by attaching the tax credit certification received
23 from the department under section 4 of this act to the child care and
24 education provider's tax return. An eligible staff member shall claim any
25 tax credits granted under the act by attaching the tax credit
26 certification received from the department under section 5 of this act to
27 the eligible staff member's tax return.

28 (3) If the department finds that a person has obtained a credit by
29 fraud or misrepresentation, the credits shall be disallowed and the
30 taxpayer's state income tax for such taxable year shall be increased by
31 the amount necessary to recapture the credit.

1 (4) Credits granted to a taxpayer, but later disallowed, may be
2 recovered by the department within three years from the end of the year
3 in which the credit was claimed.

4 Sec. 7. The department may adopt and promulgate rules and
5 regulations to carry out the School Readiness Tax Credit Act.

6 Sec. 8. Section 68-1201, Revised Statutes Supplement, 2015, is
7 amended to read:

8 68-1201 In determining eligibility for the program for aid to
9 dependent children pursuant to section 43-512, for the Supplemental
10 Nutrition Assistance Program administered by the State of Nebraska
11 pursuant to the federal Food and Nutrition Act of 2008, 7 U.S.C. 2011 et
12 seq., and for the child care subsidy program established pursuant to
13 section 68-1202, the following shall not be included in determining
14 assets or income:

15 (1) Assets in or income from an educational savings account, a
16 Coverdell educational savings account described in 26 U.S.C. 530, a
17 qualified tuition program established pursuant to 26 U.S.C. 529, or any
18 similar savings account or plan established to save for qualified higher
19 education expenses as defined in section 85-1802;

20 (2) Income from scholarships or grants related to postsecondary
21 education, whether merit-based, need-based, or a combination thereof;

22 (3) Income from postsecondary educational work-study programs,
23 whether federally funded, funded by a postsecondary educational
24 institution, or funded from any other source;~~and~~

25 (4) Assets in or income from an account under a qualified program as
26 provided in section 77-1402; and -

27 (5) Income from any tax credits received pursuant to the School
28 Readiness Tax Credit Act.

29 Sec. 9. Section 71-1962, Revised Statutes Supplement, 2015, is
30 amended to read:

31 71-1962 (1) Not later than March 1, 2014, the State Department of

1 Education shall create and operate the Nebraska Early Childhood
2 Professional Record System. The system shall be designed in order to:

3 (a) Establish a data base of Nebraska's early childhood education
4 workforce;

5 (b) Verify educational degrees and professional credentials held and
6 relevant training completed by employees of participating applicable
7 child care and early childhood education programs; and

8 (c) Provide such information to the Department of Health and Human
9 Services for use in evaluating applications to be rated at a step above
10 step one under section 71-1959.

11 (2) When an applicable child care or early childhood education
12 program participating in the quality rating and improvement system
13 developed pursuant to section 71-1955 applies under section 71-1959 to be
14 rated at a step above step one, the child care or early childhood
15 education program shall report the educational degrees and professional
16 credentials held and relevant training completed by its child care and
17 early childhood education employees to the Nebraska Early Childhood
18 Professional Record System for the program to be eligible for a quality
19 scale rating above step one.

20 (3) Any child care or early childhood education provider residing or
21 working in Nebraska may report his or her educational degrees and
22 professional credentials held, relevant training completed, and work
23 history to the Nebraska Early Childhood Professional Record System.

24 (4) The State Department of Education shall develop a classification
25 system for all employees of applicable child care and early childhood
26 education programs listed in the Nebraska Early Childhood Professional
27 Record System. The classification system shall be based on the employees'
28 educational degrees and professional credentials held, relevant training
29 completed, and work history and shall be made up of four levels, with
30 level one being the least qualified and level four being the most
31 qualified. The minimum qualification for an employee to be classified as

1 level one shall be a Child Development Associate Credential or a one-year
2 certificate or diploma in early childhood education or child development.
3 The classification system shall be used for purposes of the tax credit
4 granted in section 5 of this act.

5 Sec. 10. Section 77-2715.07, Revised Statutes Supplement, 2015, is
6 amended to read:

7 77-2715.07 (1) There shall be allowed to qualified resident
8 individuals as a nonrefundable credit against the income tax imposed by
9 the Nebraska Revenue Act of 1967:

10 (a) A credit equal to the federal credit allowed under section 22 of
11 the Internal Revenue Code; and

12 (b) A credit for taxes paid to another state as provided in section
13 77-2730.

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

16 (a) For returns filed reporting federal adjusted gross incomes of
17 greater than twenty-nine thousand dollars, a nonrefundable credit equal
18 to twenty-five percent of the federal credit allowed under section 21 of
19 the Internal Revenue Code of 1986, as amended, except that for taxable
20 years beginning or deemed to begin on or after January 1, 2015, such
21 nonrefundable credit shall be allowed only if the individual would have
22 received the federal credit allowed under section 21 of the code after
23 adding back in any carryforward of a net operating loss that was deducted
24 pursuant to such section in determining eligibility for the federal
25 credit;

26 (b) For returns filed reporting federal adjusted gross income of
27 twenty-nine thousand dollars or less, a refundable credit equal to a
28 percentage of the federal credit allowable under section 21 of the
29 Internal Revenue Code of 1986, as amended, whether or not the federal
30 credit was limited by the federal tax liability. The percentage of the
31 federal credit shall be one hundred percent for incomes not greater than

1 twenty-two thousand dollars, and the percentage shall be reduced by ten
2 percent for each one thousand dollars, or fraction thereof, by which the
3 reported federal adjusted gross income exceeds twenty-two thousand
4 dollars, except that for taxable years beginning or deemed to begin on or
5 after January 1, 2015, such refundable credit shall be allowed only if
6 the individual would have received the federal credit allowed under
7 section 21 of the code after adding back in any carryforward of a net
8 operating loss that was deducted pursuant to such section in determining
9 eligibility for the federal credit;

10 (c) A refundable credit as provided in section 77-5209.01 for
11 individuals who qualify for an income tax credit as a qualified beginning
12 farmer or livestock producer under the Beginning Farmer Tax Credit Act
13 for all taxable years beginning or deemed to begin on or after January 1,
14 2006, under the Internal Revenue Code of 1986, as amended;

15 (d) A refundable credit for individuals who qualify for an income
16 tax credit under the Angel Investment Tax Credit Act, the Nebraska
17 Advantage Microenterprise Tax Credit Act, or the Nebraska Advantage
18 Research and Development Act; and

19 (e) A refundable credit equal to ten percent of the federal credit
20 allowed under section 32 of the Internal Revenue Code of 1986, as
21 amended, except that for taxable years beginning or deemed to begin on or
22 after January 1, 2015, such refundable credit shall be allowed only if
23 the individual would have received the federal credit allowed under
24 section 32 of the code after adding back in any carryforward of a net
25 operating loss that was deducted pursuant to such section in determining
26 eligibility for the federal credit.

27 (3) There shall be allowed to all individuals as a nonrefundable
28 credit against the income tax imposed by the Nebraska Revenue Act of
29 1967:

30 (a) A credit for personal exemptions allowed under section
31 77-2716.01;

1 (b) A credit for contributions to certified community betterment
2 programs as provided in the Community Development Assistance Act. Each
3 partner, each shareholder of an electing subchapter S corporation, each
4 beneficiary of an estate or trust, or each member of a limited liability
5 company shall report his or her share of the credit in the same manner
6 and proportion as he or she reports the partnership, subchapter S
7 corporation, estate, trust, or limited liability company income;

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

10 (d) A credit as provided in the New Markets Job Growth Investment
11 Act; and

12 (e) A credit as provided in the Nebraska Job Creation and Mainstreet
13 Revitalization Act.

14 (4) There shall be allowed as a credit against the income tax
15 imposed by the Nebraska Revenue Act of 1967:

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

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

21 (c) A refundable credit for individuals who qualify for an income
22 tax credit as an owner of agricultural assets under the Beginning Farmer
23 Tax Credit Act for all taxable years beginning or deemed to begin on or
24 after January 1, 2009, under the Internal Revenue Code of 1986, as
25 amended. The credit allowed for each partner, shareholder, member, or
26 beneficiary of a partnership, corporation, limited liability company, or
27 estate or trust qualifying for an income tax credit as an owner of
28 agricultural assets under the Beginning Farmer Tax Credit Act shall be
29 equal to the partner's, shareholder's, member's, or beneficiary's portion
30 of the amount of tax credit distributed pursuant to subsection (4) of
31 section 77-5211.

1 (5)(a) For all taxable years beginning on or after January 1, 2007,
2 and before January 1, 2009, under the Internal Revenue Code of 1986, as
3 amended, there shall be allowed to each partner, shareholder, member, or
4 beneficiary of a partnership, subchapter S corporation, limited liability
5 company, or estate or trust a nonrefundable credit against the income tax
6 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the
7 partner's, shareholder's, member's, or beneficiary's portion of the
8 amount of franchise tax paid to the state under sections 77-3801 to
9 77-3807 by a financial institution.

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

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

24 (6) There shall be allowed to all individuals nonrefundable credits
25 against the income tax imposed by the Nebraska Revenue Act of 1967 as
26 provided in section 4 of this act and refundable credits against the
27 income tax imposed by the Nebraska Revenue Act of 1967 as provided in
28 section 5 of this act.

29 Sec. 11. Section 77-2717, Revised Statutes Cumulative Supplement,
30 2014, is amended to read:

31 77-2717 (1)(a)(i) For taxable years beginning or deemed to begin

1 before January 1, 2014, the tax imposed on all resident estates and
2 trusts shall be a percentage of the federal taxable income of such
3 estates and trusts as modified in section 77-2716, plus a percentage of
4 the federal alternative minimum tax and the federal tax on premature or
5 lump-sum distributions from qualified retirement plans. The additional
6 taxes shall be recomputed by (A) substituting Nebraska taxable income for
7 federal taxable income, (B) calculating what the federal alternative
8 minimum tax would be on Nebraska taxable income and adjusting such
9 calculations for any items which are reflected differently in the
10 determination of federal taxable income, and (C) applying Nebraska rates
11 to the result. The federal credit for prior year minimum tax, after the
12 recomputations required by the Nebraska Revenue Act of 1967, and the
13 credits provided in the Nebraska Advantage Microenterprise Tax Credit Act
14 and the Nebraska Advantage Research and Development Act shall be allowed
15 as a reduction in the income tax due. A refundable income tax credit
16 shall be allowed for all resident estates and trusts under the Angel
17 Investment Tax Credit Act, the Nebraska Advantage Microenterprise Tax
18 Credit Act, and the Nebraska Advantage Research and Development Act. A
19 nonrefundable income tax credit shall be allowed for all resident estates
20 and trusts as provided in the New Markets Job Growth Investment Act.

21 (ii) For taxable years beginning or deemed to begin on or after
22 January 1, 2014, the tax imposed on all resident estates and trusts shall
23 be a percentage of the federal taxable income of such estates and trusts
24 as modified in section 77-2716, plus a percentage of the federal tax on
25 premature or lump-sum distributions from qualified retirement plans. The
26 additional taxes shall be recomputed by substituting Nebraska taxable
27 income for federal taxable income and applying Nebraska rates to the
28 result. The credits provided in the Nebraska Advantage Microenterprise
29 Tax Credit Act and the Nebraska Advantage Research and Development Act
30 shall be allowed as a reduction in the income tax due. A refundable
31 income tax credit shall be allowed for all resident estates and trusts

1 under the Angel Investment Tax Credit Act, the Nebraska Advantage
2 Microenterprise Tax Credit Act, and the Nebraska Advantage Research and
3 Development Act. A nonrefundable income tax credit shall be allowed for
4 all resident estates and trusts as provided in the Nebraska Job Creation
5 and Mainstreet Revitalization Act, ~~and~~ the New Markets Job Growth
6 Investment Act, and the School Readiness Tax Credit Act.

7 (b) The tax imposed on all nonresident estates and trusts shall be
8 the portion of the tax imposed on resident estates and trusts which is
9 attributable to the income derived from sources within this state. The
10 tax which is attributable to income derived from sources within this
11 state shall be determined by multiplying the liability to this state for
12 a resident estate or trust with the same total income by a fraction, the
13 numerator of which is the nonresident estate's or trust's Nebraska income
14 as determined by sections 77-2724 and 77-2725 and the denominator of
15 which is its total federal income after first adjusting each by the
16 amounts provided in section 77-2716. The federal credit for prior year
17 minimum tax, after the recomputations required by the Nebraska Revenue
18 Act of 1967, reduced by the percentage of the total income which is
19 attributable to income from sources outside this state, and the credits
20 provided in the Nebraska Advantage Microenterprise Tax Credit Act and the
21 Nebraska Advantage Research and Development Act shall be allowed as a
22 reduction in the income tax due. A refundable income tax credit shall be
23 allowed for all nonresident estates and trusts under the Angel Investment
24 Tax Credit Act, the Nebraska Advantage Microenterprise Tax Credit Act,
25 and the Nebraska Advantage Research and Development Act. A nonrefundable
26 income tax credit shall be allowed for all nonresident estates and trusts
27 as provided in the Nebraska Job Creation and Mainstreet Revitalization
28 Act, ~~and~~ the New Markets Job Growth Investment Act, and the School
29 Readiness Tax Credit Act.

30 (2) In all instances wherein a fiduciary income tax return is
31 required under the provisions of the Internal Revenue Code, a Nebraska

1 fiduciary return shall be filed, except that a fiduciary return shall not
2 be required to be filed regarding a simple trust if all of the trust's
3 beneficiaries are residents of the State of Nebraska, all of the trust's
4 income is derived from sources in this state, and the trust has no
5 federal tax liability. The fiduciary shall be responsible for making the
6 return for the estate or trust for which he or she acts, whether the
7 income be taxable to the estate or trust or to the beneficiaries thereof.
8 The fiduciary shall include in the return a statement of each
9 beneficiary's distributive share of net income when such income is
10 taxable to such beneficiaries.

11 (3) The beneficiaries of such estate or trust who are residents of
12 this state shall include in their income their proportionate share of
13 such estate's or trust's federal income and shall reduce their Nebraska
14 tax liability by their proportionate share of the credits as provided in
15 the Angel Investment Tax Credit Act, the Nebraska Advantage
16 Microenterprise Tax Credit Act, the Nebraska Advantage Research and
17 Development Act, the Nebraska Job Creation and Mainstreet Revitalization
18 Act, ~~and~~ the New Markets Job Growth Investment Act, and the School
19 Readiness Tax Credit Act. There shall be allowed to a beneficiary a
20 refundable income tax credit under the Beginning Farmer Tax Credit Act
21 for all taxable years beginning or deemed to begin on or after January 1,
22 2001, under the Internal Revenue Code of 1986, as amended.

23 (4) If any beneficiary of such estate or trust is a nonresident
24 during any part of the estate's or trust's taxable year, he or she shall
25 file a Nebraska income tax return which shall include (a) in Nebraska
26 adjusted gross income that portion of the estate's or trust's Nebraska
27 income, as determined under sections 77-2724 and 77-2725, allocable to
28 his or her interest in the estate or trust and (b) a reduction of the
29 Nebraska tax liability by his or her proportionate share of the credits
30 as provided in the Angel Investment Tax Credit Act, the Nebraska
31 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research

1 and Development Act, the Nebraska Job Creation and Mainstreet
2 Revitalization Act, ~~and~~ the New Markets Job Growth Investment Act, and
3 the School Readiness Tax Credit Act and shall execute and forward to the
4 fiduciary, on or before the original due date of the Nebraska fiduciary
5 return, an agreement which states that he or she will file a Nebraska
6 income tax return and pay income tax on all income derived from or
7 connected with sources in this state, and such agreement shall be
8 attached to the Nebraska fiduciary return for such taxable year.

9 (5) In the absence of the nonresident beneficiary's executed
10 agreement being attached to the Nebraska fiduciary return, the estate or
11 trust shall remit a portion of such beneficiary's income which was
12 derived from or attributable to Nebraska sources with its Nebraska return
13 for the taxable year. For taxable years beginning or deemed to begin
14 before January 1, 2013, the amount of remittance, in such instance, shall
15 be the highest individual income tax rate determined under section
16 77-2715.02 multiplied by the nonresident beneficiary's share of the
17 estate or trust income which was derived from or attributable to sources
18 within this state. For taxable years beginning or deemed to begin on or
19 after January 1, 2013, the amount of remittance, in such instance, shall
20 be the highest individual income tax rate determined under section
21 77-2715.03 multiplied by the nonresident beneficiary's share of the
22 estate or trust income which was derived from or attributable to sources
23 within this state. The amount remitted shall be allowed as a credit
24 against the Nebraska income tax liability of the beneficiary.

25 (6) The Tax Commissioner may allow a nonresident beneficiary to not
26 file a Nebraska income tax return if the nonresident beneficiary's only
27 source of Nebraska income was his or her share of the estate's or trust's
28 income which was derived from or attributable to sources within this
29 state, the nonresident did not file an agreement to file a Nebraska
30 income tax return, and the estate or trust has remitted the amount
31 required by subsection (5) of this section on behalf of such nonresident

1 beneficiary. The amount remitted shall be retained in satisfaction of the
2 Nebraska income tax liability of the nonresident beneficiary.

3 (7) For purposes of this section, unless the context otherwise
4 requires, simple trust shall mean any trust instrument which (a) requires
5 that all income shall be distributed currently to the beneficiaries, (b)
6 does not allow amounts to be paid, permanently set aside, or used in the
7 tax year for charitable purposes, and (c) does not distribute amounts
8 allocated in the corpus of the trust. Any trust which does not qualify as
9 a simple trust shall be deemed a complex trust.

10 (8) For purposes of this section, any beneficiary of an estate or
11 trust that is a grantor trust of a nonresident shall be disregarded and
12 this section shall apply as though the nonresident grantor was the
13 beneficiary.

14 Sec. 12. Section 77-2734.03, Revised Statutes Cumulative Supplement,
15 2014, is amended to read:

16 77-2734.03 (1)(a) For taxable years commencing prior to January 1,
17 1997, any (i) insurer paying a tax on premiums and assessments pursuant
18 to section 77-908 or 81-523, (ii) electric cooperative organized under
19 the Joint Public Power Authority Act, or (iii) credit union shall be
20 credited, in the computation of the tax due under the Nebraska Revenue
21 Act of 1967, with the amount paid during the taxable year as taxes on
22 such premiums and assessments and taxes in lieu of intangible tax.

23 (b) For taxable years commencing on or after January 1, 1997, any
24 insurer paying a tax on premiums and assessments pursuant to section
25 77-908 or 81-523, any electric cooperative organized under the Joint
26 Public Power Authority Act, or any credit union shall be credited, in the
27 computation of the tax due under the Nebraska Revenue Act of 1967, with
28 the amount paid during the taxable year as (i) taxes on such premiums and
29 assessments included as Nebraska premiums and assessments under section
30 77-2734.05 and (ii) taxes in lieu of intangible tax.

31 (c) For taxable years commencing or deemed to commence prior to, on,

1 or after January 1, 1998, any insurer paying a tax on premiums and
2 assessments pursuant to section 77-908 or 81-523 shall be credited, in
3 the computation of the tax due under the Nebraska Revenue Act of 1967,
4 with the amount paid during the taxable year as assessments allowed as an
5 offset against premium and related retaliatory tax liability pursuant to
6 section 44-4233.

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

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

14 (4) The changes made to this section by Laws 2004, LB 983, apply to
15 motor fuels purchased during any tax year ending or deemed to end on or
16 after January 1, 2005, under the Internal Revenue Code of 1986, as
17 amended.

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

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

24 (7) There shall be allowed to corporate taxpayers a nonrefundable
25 income tax credit as provided in the Nebraska Job Creation and Mainstreet
26 Revitalization Act, ~~and~~ the New Markets Job Growth Investment Act, and
27 the School Readiness Tax Credit Act.

28 Sec. 13. Original sections 77-2717 and 77-2734.03, Revised Statutes
29 Cumulative Supplement, 2014, and sections 68-1201, 71-1962, and
30 77-2715.07, Revised Statutes Supplement, 2015, are repealed.