

AMENDMENTS TO LB884

Introduced by Revenue.

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

3 Section 1. Section 13-2603, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 13-2603 For purposes of the Convention Center Facility Financing
6 Assistance Act:

7 ~~(1) (1)(a) Associated hotel means any publicly owned facility in~~
8 ~~which the public may, for a consideration, obtain sleeping accommodations~~
9 ~~and which is located within two hundred yards of an eligible facility;~~
10 ~~and~~

11 ~~(b) Beginning with applications for financial assistance received on or~~
12 ~~after February 1, 2008, associated hotel means any publicly or privately~~
13 ~~owned facility in which the public may, for a consideration, obtain~~
14 ~~sleeping accommodations and which is located, in whole or in part, within~~
15 ~~the program area four hundred fifty yards of an eligible facility,~~
16 ~~measured from the eligible facility but not from any parking facility or~~
17 ~~other structure;~~

18 (2) Board means a board consisting of the Governor, the State
19 Treasurer, the chairperson of the Nebraska Investment Council, the
20 chairperson of the Nebraska State Board of Public Accountancy, and a
21 professor of economics on the faculty of a state postsecondary
22 educational institution appointed to a two-year term on the board by the
23 Coordinating Commission for Postsecondary Education. For administrative
24 and budget purposes only, the board shall be considered part of the
25 Department of Revenue;

26 (3) Bond means a general obligation bond, redevelopment bond, lease-
27 purchase bond, revenue bond, or combination of any such bonds;

1 (4) Convention and meeting center facility means a temperature-
2 controlled building and personal property primarily used as a convention
3 and meeting center, including an auditorium, an exhibition hall, a
4 facility for onsite food preparation and serving, an onsite, directly
5 connected parking facility for the use of the convention and meeting
6 center facility, and an onsite administrative office of the convention
7 and meeting center facility;

8 (5)(a) Eligible facility means any publicly owned convention and
9 meeting center facility approved for state assistance on or before June
10 1, 2007, any publicly owned sports arena facility attached to such
11 convention and meeting center facility, or any publicly or privately
12 owned convention and meeting center facility or publicly or privately
13 owned sports arena facility acquired, constructed, improved, or equipped
14 after June 1, 2007; and

15 (b) Beginning with applications for financial assistance received on
16 or after February 1, 2008, eligible facility does not include any
17 publicly or privately owned sports arena facility with a seating capacity
18 greater than sixteen thousand seats;

19 (6) General obligation bond means any bond or refunding bond issued
20 by a political subdivision and which is payable from the proceeds of an
21 ad valorem tax;

22 (7) Political subdivision means any local governmental body formed
23 and organized under state law and any joint entity or joint public agency
24 created under state law to act on behalf of political subdivisions which
25 has statutory authority to issue general obligation bonds;

26 (8) Program area means the area that is located within six hundred
27 yards of an eligible facility, measured from any point of the exterior
28 perimeter of the eligible facility but not from any parking facility or
29 other structure, as such area is established by the board, except that if
30 twenty-five percent or more of such area is unbuildable property, the
31 board shall adjust the program area so that:

1 (a) It avoids as much of the unbuildable property as is practical;
2 and

3 (b) It contains contiguous property with the same total amount of
4 square footage that the program area would have contained had no
5 adjustment been necessary;

6 (9 8) Revenue bond means any bond or refunding bond issued by a
7 political subdivision which is limited or special rather than a general
8 obligation bond of the political subdivision and which is not payable
9 from the proceeds of an ad valorem tax; ~~and~~

10 (10 9) Sports arena facility means any enclosed temperature-
11 controlled building primarily used for competitive sports, including
12 arenas, dressing and locker facilities, concession areas, parking
13 facilities, and onsite administrative offices connected with operating
14 the facilities; and -

15 (11) Unbuildable property means any real property that is located in
16 a floodway, an environmentally protected area, a right-of-way, or a
17 brownfield site as defined in 42 U.S.C. 9601 that the political
18 subdivision determines is not suitable for the construction or location
19 of residential, commercial, or other buildings or facilities.

20 Sec. 2. Section 13-2604, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 13-2604 Any political subdivision that has acquired, constructed,
23 improved, or equipped or has approved a general obligation bond issue to
24 acquire, construct, improve, or equip eligible facilities may apply to
25 the board for state assistance. The state assistance shall ~~may~~ be used:

26 (1) To ~~to~~ pay back amounts expended or borrowed through one or more
27 issues of bonds to be expended by the political subdivision to acquire,
28 construct, improve, and equip eligible facilities until repayment in full
29 of the amounts expended or borrowed by the political subdivision,
30 including the principal of and interest on bonds, for eligible
31 facilities; and -

1 (2) To pay for capital improvements to eligible facilities.

2 Sec. 3. Section 13-2605, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 13-2605 (1) All applications for state assistance under the
5 Convention Center Facility Financing Assistance Act shall be in writing
6 and shall include a certified copy of the approving action of the
7 governing body of the applicant describing the proposed eligible facility
8 and the anticipated financing.

9 (2) The application shall contain:

10 (a) A description of the proposed financing of the eligible
11 facility, including the estimated principal and interest requirements for
12 the bonds proposed to be issued in connection with the eligible facility
13 or the amounts necessary to repay the original investment by the
14 applicant in the eligible facility;

15 (b) Documentation of local financial commitment to support the
16 project, including all public and private resources pledged or committed
17 to the project; and

18 (c) Any other project information deemed appropriate by the board.

19 (3) Upon receiving an application for state assistance, the board
20 shall review the application and notify the applicant of any additional
21 information needed for a proper evaluation of the application.

22 (4) Any state assistance received pursuant to the act shall be used
23 only for public purposes.

24 (5) Each political subdivision that had an application for state
25 assistance approved prior to the operative date of this section shall
26 submit a map showing the program area for the eligible facility. The
27 board shall approve the program area if it satisfies the requirements of
28 subdivision (8) of section 13-2603.

29 Sec. 4. Section 13-2609, Reissue Revised Statutes of Nebraska, is
30 amended to read:

31 13-2609 (1) If an application is approved, the Tax Commissioner

1 shall:

2 (a) Audit or review audits of the approved convention and meeting
3 center facility, sports arena facility, or associated hotel to determine
4 the state sales tax revenue collected by retailers and operators doing
5 business at such facilities on sales at such facilities, state sales tax
6 revenue collected on primary and secondary box office sales of admissions
7 to such facilities, and state sales tax revenue collected by associated
8 hotels; and

9 (b) Certify annually the amount of state sales tax revenue collected
10 by retailers and operators doing business at such facilities on sales at
11 such facilities, state sales tax revenue collected on primary and
12 secondary box office sales of admissions to such facilities, and state
13 sales tax revenue collected by associated hotels, to the Legislature
14 State Treasurer.

15 (2) State sales tax revenue collected by retailers and operators
16 that are not eligible facilities but are doing business at eligible
17 facilities shall be reported on informational returns developed by the
18 Department of Revenue and provided to any such retailers and operators by
19 the eligible facility. The informational returns shall be submitted to
20 the department by the retailer or operator by the twentieth day of the
21 month following the month the sales taxes are collected. The Tax
22 Commissioner shall use the data from the informational returns and sales
23 tax returns of eligible facilities and associated hotels to determine the
24 appropriate amount of state sales tax revenue for purposes of subsection
25 (3) of this section.

26 (3) The Tax Commissioner shall use data from the informational
27 returns and sales tax returns described in subsection (2) of this section
28 to certify quarterly, for each eligible facility for which state
29 assistance has been approved, the total amount of state sales tax revenue
30 collected by retailers and operators doing business at such facilities on
31 sales at such facilities, state sales tax revenue collected on primary

1 and secondary box office sales of admissions to such facilities, and
2 state sales tax revenue collected by associated hotels which was
3 collected in the preceding calendar quarter. The Tax Commissioner shall
4 certify such amount to the State Treasurer within sixty days after the
5 end of each calendar quarter, and such certification shall be used for
6 purposes of making the transfers required under subsection (1) of section
7 13-2610 and making the quarterly distributions of state assistance
8 described in subsection (2) of section 13-2610.

9 (4 3) Changes made to the Convention Center Facility Financing
10 Assistance Act by Laws 2007, LB 551, shall apply to state sales tax
11 revenue collected commencing on July 1, 2006.

12 Sec. 5. Section 13-2610, Revised Statutes Supplement, 2015, is
13 amended to read:

14 13-2610 (1) Upon the quarterly ~~annual~~ certification under section
15 13-2609, the State Treasurer shall transfer ~~after the audit~~ the amount
16 certified to the Convention Center Support Fund. The Convention Center
17 Support Fund is created. Transfers may be made from the fund to the
18 General Fund at the direction of the Legislature. Any money in the
19 Convention Center Support Fund available for investment shall be invested
20 by the state investment officer pursuant to the Nebraska Capital
21 Expansion Act and the Nebraska State Funds Investment Act.

22 (2) ~~(2)(a)~~ It is the intent of the Legislature to appropriate from
23 the fund to any political subdivision for which an application for state
24 assistance under the Convention Center Facility Financing Assistance Act
25 has been approved an amount not to exceed (a i) seventy percent of the
26 state sales tax revenue collected by retailers and operators doing
27 business at such facilities on sales at such facilities, state sales tax
28 revenue collected on primary and secondary box office sales of admissions
29 to such facilities, and state sales tax revenue collected by associated
30 hotels, (b iii) seventy-five million dollars for any one approved project,
31 or (c iii) the total cost of acquiring, constructing, improving, or

1 equipping the eligible facility. State assistance shall not be used for
2 an operating subsidy or other ancillary facility. Quarterly distributions
3 of state assistance shall be made based on the quarterly certifications
4 provided under subsection (3) of section 13-2609. Such quarterly
5 distributions shall occur within fifteen days after receipt of such
6 certification.

7 (3)(a) (b) Ten percent of such funds appropriated to a city of the
8 metropolitan class under ~~this~~ subsection (2) of this section shall be
9 equally distributed to areas with a high concentration of poverty to (i)
10 showcase important historical aspects of such areas or areas within close
11 geographic proximity of the area with a high concentration of poverty or
12 (ii) assist with the reduction of street and gang violence in such areas.

13 (b e) Each area with a high concentration of poverty that has been
14 distributed funds under subdivision (3)(a) of this section ~~(b) of this~~
15 ~~subsection~~ shall establish a development fund and form a committee which
16 shall identify and research potential projects to be completed in the
17 area with a high concentration of poverty or in an area within close
18 geographic proximity of such area if the project would have a significant
19 or demonstrable impact on such area and make final determinations on the
20 use of state sales tax revenue received for such projects.

21 (c d) A committee formed under ~~in~~ subdivision (3)(b) of this section
22 ~~(e) of this subsection~~ shall include the following three members:

23 (i) The member of the city council whose district includes a
24 majority of the census tracts which each contain a percentage of persons
25 below the poverty line of greater than thirty percent, as determined by
26 the most recent federal decennial census, within the area with a high
27 concentration of poverty;

28 (ii) The commissioner of the county whose district includes a
29 majority of the census tracts which each contain a percentage of persons
30 below the poverty line of greater than thirty percent, as determined by
31 the most recent federal decennial census, within the area with a high

1 concentration of poverty; and

2 (iii) A resident of the area with a high concentration of poverty,
3 appointed by the other two members of the committee.

4 (~~d~~ e) A committee formed under ~~in~~ a subdivision (3)(b) of this section
5 ~~(c)~~ of this subsection shall solicit project ideas from the public and
6 shall hold a public hearing in the area with a high concentration of
7 poverty. Notice of a proposed hearing shall be provided in accordance
8 with the procedures for notice of a public hearing pursuant to section
9 18-2115. The committee shall research potential projects and make the
10 final determination regarding the annual distribution of funding to such
11 projects.

12 (~~e~~ f) For purposes of this subsection, an area with a high
13 concentration of poverty means an area within the corporate limits of a
14 city of the metropolitan class consisting of one or more contiguous
15 census tracts, as determined by the most recent federal decennial census,
16 which contain a percentage of persons below the poverty line of greater
17 than thirty percent, and all census tracts contiguous to such tract or
18 tracts, as determined by the most recent federal decennial census.

19 (4)(a) Ten percent of such funds appropriated to a city of the
20 primary class under subsection (2) of this section shall, if the city
21 determines such funds are not currently needed for the purposes described
22 in section 13-2604, be used as follows:

23 (i) For investment in the construction of qualified low-income
24 housing projects as defined in 26 U.S.C. 42, including qualified projects
25 receiving Nebraska affordable housing tax credits under the Affordable
26 Housing Tax Credit Act; or

27 (ii) If there are no such qualified low-income housing projects as
28 defined in 26 U.S.C. 42 being constructed or expected to be constructed
29 within the political subdivision, for investment in areas with a high
30 concentration of poverty to assist with low-income housing needs.

31 (b) For purposes of this subsection, an area with a high

1 concentration of poverty means an area within the corporate limits of a
2 city of the primary class consisting of one or more contiguous census
3 tracts, as determined by the most recent American Community Survey 5-Year
4 Estimate, which contain a percentage of persons below the poverty line of
5 greater than thirty percent, and all census tracts contiguous to such
6 tract or tracts, as determined by the most recent American Community
7 Survey 5-Year Estimate.

8 (5 3) State assistance to the political subdivision shall no longer
9 be available upon the retirement of the bonds issued to acquire,
10 construct, improve, or equip the facility or any subsequent bonds that
11 refunded the original issue or when state assistance reaches the amount
12 determined under subsection (2) subdivision (2)(a) of this section,
13 whichever comes first.

14 (6 4) The remaining thirty percent of state sales tax revenue
15 collected by retailers and operators doing business at such facilities on
16 sales at such facilities, state sales tax revenue collected on primary
17 and secondary box office sales of admissions to such facilities, and
18 state sales tax revenue collected by associated hotels, shall be
19 appropriated by the Legislature to the Civic and Community Center
20 Financing Fund. Upon each quarterly ~~the annual~~ certification required
21 pursuant to section 13-2609 and following the transfer to the Convention
22 Center Support Fund required pursuant to subsection (1) of this section,
23 the State Treasurer shall transfer an amount equal to the remaining
24 thirty percent from the Convention Center Support Fund to the Civic and
25 Community Center Financing Fund.

26 (7 5) Any municipality that has applied for and received a grant of
27 assistance under the Civic and Community Center Financing Act may not
28 receive state assistance under the Convention Center Facility Financing
29 Assistance Act.

30 Sec. 6. Section 13-2709, Revised Statutes Cumulative Supplement,
31 2014, is amended to read:

1 13-2709 The department shall submit, as part of the department's
2 annual status report under section 81-1201.11, the following information
3 regarding the Civic and Community Center Financing Act:

4 (1) Information documenting the grants conditionally approved for
5 funding by the Legislature in the following fiscal year;

6 (2) Reasons why a full application was not sent to any municipality
7 seeking assistance under the act;

8 (3) The amount of sales tax revenue generated for the fund pursuant
9 to subsection (6 4) of section 13-2610 and subsection (9) of section
10 13-3108, the total amount of grants applied for under the act, the year-
11 end fund balance, and, if all available funds have not been committed to
12 funding grants under the act, an explanation of the reasons why all such
13 funds have not been so committed;

14 (4) The amount of appropriated funds actually expended by the
15 department for the year;

16 (5) The department's current budget for administration of the act
17 and the department's planned use and distribution of funds, including
18 details on the amount of funds to be expended on grants and the amount of
19 funds to be expended by the department for administrative purposes; and

20 (6) Grant summaries, including the applicant municipality, project
21 description, grant amount requested, amount and type of matching funds,
22 and reasons for approval or denial based on evaluation criteria from
23 section 13-2707 or 13-2707.01 for every application seeking assistance
24 under the act.

25 Sec. 7. Section 13-3102, Reissue Revised Statutes of Nebraska, is
26 amended to read:

27 13-3102 For purposes of the Sports Arena Facility Financing
28 Assistance Act:

29 (1) Board means a board consisting of the Governor, the State
30 Treasurer, the chairperson of the Nebraska Investment Council, the
31 chairperson of the Nebraska State Board of Public Accountancy, and a

1 professor of economics on the faculty of a state postsecondary
2 educational institution appointed to a two-year term on the board by the
3 Coordinating Commission for Postsecondary Education. For administrative
4 and budget purposes only, the board shall be considered part of the
5 Department of Revenue;

6 (2) Bond means a general obligation bond, redevelopment bond, lease-
7 purchase bond, revenue bond, or combination of any such bonds;

8 (3) Eligible sports arena facility means:

9 (a) Any publicly owned, enclosed, and temperature-controlled
10 building primarily used for sports that has a permanent seating capacity
11 of at least three thousand but no more than seven thousand seats and in
12 which initial occupancy occurs on or after July 1, 2010. Eligible sports
13 arena facility includes stadiums, arenas, dressing and locker facilities,
14 concession areas, parking facilities, and onsite administrative offices
15 connected with operating the facilities; and

16 (b) Any racetrack enclosure licensed by the State Racing Commission
17 in which initial occupancy occurs on or after July 1, 2010, including
18 concession areas, parking facilities, and onsite administrative offices
19 connected with operating the racetrack;

20 (4) General obligation bond means any bond or refunding bond issued
21 by a political subdivision and which is payable from the proceeds of an
22 ad valorem tax;

23 (5) Increase in state sales tax revenue means the amount of state
24 sales tax revenue collected by a nearby retailer during the fiscal year
25 for which state assistance is calculated minus the amount of state sales
26 tax revenue collected by the nearby retailer in the fiscal year that
27 ended immediately preceding the date of occupancy of the eligible sports
28 arena facility, except that the amount of state sales tax revenue of a
29 nearby retailer shall not be less than zero;

30 (6) Nearby retailer means a retailer as defined in section
31 77-2701.32 that is located within the program area ~~six hundred yards of~~

1 ~~an eligible sports arena facility, measured from the facility but not~~
2 ~~from any parking facility or other structure. The term includes a~~
3 ~~subsequent owner of a nearby retailer operating at the same location;~~

4 (7) New state sales tax revenue means:

5 (a) For nearby retailers that commenced collecting state sales tax
6 during the period of time beginning twenty-four months prior to occupancy
7 of the eligible sports arena facility and ending forty-eight ~~twenty-four~~
8 ~~months after the occupancy of the eligible sports arena facility~~ or, for
9 applications for state assistance approved prior to the operative date of
10 this section, forty-eight months after the operative date of this
11 section, one hundred percent of the state sales tax revenue collected by
12 the nearby retailer and sourced under sections 77-2703.01 to 77-2703.04
13 ~~to the program area a location within six hundred yards of the eligible~~
14 ~~sports arena facility; and~~

15 (b) For nearby retailers that commenced collecting state sales tax
16 prior to twenty-four months prior to occupancy of the eligible sports
17 arena facility, the increase in state sales tax revenue collected by the
18 nearby retailer and sourced under sections 77-2703.01 to 77-2703.04 to
19 the program area a location within six hundred yards of the facility;

20 (8) Political subdivision means any city, village, or county; ~~and~~

21 (9) Program area means:

22 (a) For applications for state assistance submitted prior to the
23 operative date of this section, the area that is located within six
24 hundred yards of an eligible sports arena facility, measured from any
25 point of the exterior perimeter of the facility but not from any parking
26 facility or other structure; or

27 (b) For applications for state assistance submitted on or after the
28 operative date of this section, the area that is located within six
29 hundred yards of an eligible sports arena facility, measured from any
30 point of the exterior perimeter of the facility but not from any parking
31 facility or other structure, except that if twenty-five percent or more

1 of such area is unbuildable property, then the program area shall be
2 adjusted so that:

3 (i) It avoids as much of the unbuildable property as is practical;
4 and

5 (ii) It contains contiguous property with the same total amount of
6 square footage that the program area would have contained had no
7 adjustment been necessary.

8 Approval of an application for state assistance by the board
9 pursuant to section 13-3106 shall establish the program area as that area
10 depicted in the map accompanying the application for state assistance as
11 submitted pursuant to subdivision (2)(c) of section 13-3104.

12 (10 9) Revenue bond means any bond or refunding bond issued by a
13 political subdivision which is limited or special rather than a general
14 obligation bond of the political subdivision and which is not payable
15 from the proceeds of an ad valorem tax; and -

16 (11) Unbuildable property means any real property that is located in
17 a floodway, an environmentally protected area, a right-of-way, or a
18 brownfield site as defined in 42 U.S.C. 9601 that the political
19 subdivision determines is not suitable for the construction or location
20 of residential, commercial, or other buildings or facilities.

21 Sec. 8. Section 13-3103, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 13-3103 (1) Any political subdivision or its governing body that
24 has (a 1) acquired, constructed, improved, or equipped, (b 2) approved a
25 revenue bond issue or a general obligation bond issue to acquire,
26 construct, improve, or equip, or (c 3) adopted a resolution authorizing
27 the political subdivision to pursue a general obligation bond issue to
28 acquire, construct, improve, or equip an eligible sports arena facility
29 may apply to the board for state assistance. The state assistance shall
30 only be used to pay back amounts expended or borrowed through one or more
31 issues of bonds to be expended by the political subdivision to acquire,

1 construct, improve, and equip the eligible sports arena facility.

2 (2) For applications for state assistance approved on or after the
3 operative date of this section, no more than fifty percent of the final
4 cost of the eligible sports arena facility shall be funded by state
5 assistance received pursuant to section 13-3108.

6 Sec. 9. Section 13-3104, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 13-3104 (1) All applications for state assistance under the Sports
9 Arena Facility Financing Assistance Act shall be in writing and shall
10 include a certified copy of the approving action of the governing body of
11 the applicant describing the proposed eligible sports arena facility and
12 the anticipated financing.

13 (2) The application shall contain:

14 (a) A description of the proposed financing of the eligible sports
15 arena facility, including the estimated principal and interest
16 requirements for the bonds proposed to be issued in connection with the
17 facility or the amounts necessary to repay the original investment by the
18 applicant in the facility;

19 (b) Documentation of local financial commitment to support the
20 project, including all public and private resources pledged or committed
21 to the project and including a copy of any operating agreement or lease
22 with substantial users of the facility;~~and~~

23 (c) For applications submitted on or after the operative date of
24 this section, a map identifying the program area, including any
25 unbuildable property within the program area or taken into account in
26 adjusting the program area as described in subdivision (9)(b) of section
27 13-3102; and

28 (d e) Any other project information deemed appropriate by the board.

29 (3) Upon receiving an application for state assistance, the board
30 shall review the application and notify the applicant of any additional
31 information needed for a proper evaluation of the application.

1 (4) Any state assistance received pursuant to the act shall be used
2 only for public purposes.

3 Sec. 10. Section 13-3106, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 13-3106 (1) After consideration of the application and the evidence,
6 if the board finds that the facility described in the application is
7 eligible and that state assistance is in the best interest of the state,
8 the application shall be approved, except that an approval of an
9 application submitted because of the requirement in subdivision (1)(c)
10 ~~{3}~~ of section 13-3103 is a temporary approval. If the general obligation
11 bond issue is subsequently approved by the voters of the political
12 subdivision, the approval by the board becomes permanent. If the general
13 obligation bond issue is not approved by such voters, the temporary
14 approval shall become void.

15 (2) In determining whether state assistance is in the best interest
16 of the state, the board shall consider the fiscal and economic capacity
17 of the applicant to finance the local share of the facility.

18 (3) A majority of the board members constitutes a quorum for the
19 purpose of conducting business. All actions of the board shall be by a
20 majority vote of all the board members, one of whom must be the Governor.

21 Sec. 11. Section 13-3108, Revised Statutes Supplement, 2015, is
22 amended to read:

23 13-3108 (1) The Sports Arena Facility Support Fund is created. Any
24 money in the fund available for investment shall be invested by the state
25 investment officer pursuant to the Nebraska Capital Expansion Act and the
26 Nebraska State Funds Investment Act.

27 (2)(a) Upon receiving the certification described in subsection (3)
28 of section 13-3107, the State Treasurer shall transfer the amount
29 certified to the fund.

30 (b) Upon receiving the quarterly certification described in
31 subsection (4) of section 13-3107, the State Treasurer shall transfer the

1 amount certified to the fund.

2 (3)(a) It is the intent of the Legislature to appropriate from the
3 fund money to be distributed as provided in subsections (4) and (5) of
4 this section to any political subdivision for which an application for
5 state assistance under the Sports Arena Facility Financing Assistance Act
6 has been approved an amount not to exceed seventy percent of the (i)
7 state sales tax revenue collected by retailers doing business at eligible
8 sports arena facilities on sales at such facilities, (ii) state sales tax
9 revenue collected on primary and secondary box office sales of admissions
10 to such facilities, and (iii) new state sales tax revenue collected by
11 nearby retailers and sourced under sections 77-2703.01 to 77-2703.04 to
12 ~~the program area a location within six hundred yards of the eligible~~
13 ~~facility.~~

14 (b) The amount to be appropriated for distribution as state
15 assistance to a political subdivision under this subsection for any one
16 year after the tenth year shall not exceed the highest such amount
17 appropriated under subdivision (3)(a) of this section during any one year
18 of the first ten years of such appropriation. If seventy percent of the
19 state sales tax revenue as described in subdivision (3)(a) of this
20 section exceeds the amount to be appropriated under this subdivision,
21 such excess funds shall be transferred to the General Fund.

22 (4) The amount certified under subsection (3) of section 13-3107
23 shall be distributed as state assistance on or before April 15, 2014.

24 (5) Beginning in 2014, quarterly distributions and associated
25 transfers of state assistance shall be made. Such quarterly distributions
26 and transfers shall be based on the certifications provided under
27 subsection (4) of section 13-3107 and shall occur within fifteen days
28 after receipt of such certification.

29 (6) The total amount of state assistance approved for an eligible
30 sports arena facility shall neither ~~not~~ (a) exceed fifty million dollars
31 nor ~~or~~ (b) be paid out for more than twenty years after the issuance of

1 the first bond for the sports arena facility.

2 (7) State assistance to the political subdivision shall no longer be
3 available upon the retirement of the bonds issued to acquire, construct,
4 improve, or equip the facility or any subsequent bonds that refunded the
5 original issue or when state assistance reaches the amount determined
6 under subsection (6) of this section, whichever comes first.

7 (8) State assistance shall not be used for an operating subsidy or
8 other ancillary facility.

9 (9) The thirty percent of state sales tax revenue remaining after
10 the appropriation and transfer in subsection (3) of this section shall be
11 appropriated by the Legislature and transferred quarterly beginning in
12 2014 to the Civic and Community Center Financing Fund.

13 (10) Except as provided in subsection (11) of this section for a
14 city of the primary class, any municipality that has applied for and
15 received a grant of assistance under the Civic and Community Center
16 Financing Act shall not receive state assistance under the Sports Arena
17 Facility Financing Assistance Act for the same project for which the
18 grant was awarded under the Civic and Community Center Financing Act.

19 (11) A city of the primary class shall not be eligible to receive a
20 grant of assistance from the Civic and Community Center Financing Act if
21 the city has applied for and received a grant of assistance under the
22 Sports Arena Facility Financing Assistance Act.

23 Sec. 12. Sections 12 to 18 of this act shall be known and may be
24 cited as the Affordable Housing Tax Credit Act.

25 Sec. 13. For purposes of the Affordable Housing Tax Credit Act:

26 (1) Allocation year means the year for which the authority awards
27 Nebraska affordable housing tax credits pursuant to the act;

28 (2) Authority means the Nebraska Investment Finance Authority;

29 (3) Eligibility statement means a statement authorized and issued by
30 the authority certifying that a given project is a qualified project that
31 qualifies for Nebraska affordable housing tax credits;

1 (4) Federal low-income housing tax credit means the federal tax
2 credit provided in section 42 of the Internal Revenue Code of 1986, as
3 amended;

4 (5) Nebraska affordable housing tax credit means the nonrefundable
5 tax credit authorized in section 14 of this act;

6 (6) Qualified project means a qualified low-income building or
7 buildings, as that term is defined in section 42 of the Internal Revenue
8 Code of 1986, as amended;

9 (7) Qualified taxpayer means a taxpayer owning an interest, direct
10 or indirect, in a qualified project; and

11 (8) Taxpayer means a person, firm, corporation, or other business
12 entity subject to the income tax imposed by section 77-2715 or
13 77-2734.02, an insurance company subject to premium and related
14 retaliatory tax liability imposed by section 44-150 or 77-908, or a
15 financial institution subject to the franchise tax imposed by sections
16 77-3801 to 77-3807.

17 Sec. 14. (1) An owner of an affordable housing project seeking a
18 Nebraska affordable housing tax credit shall file an application with the
19 authority on a form prescribed by the authority. A qualified taxpayer
20 shall be allowed a nonrefundable tax credit if the authority determines
21 that the project for which tax credits are sought is a qualified project.

22 (2) If the requirements of subsection (1) of this section are met,
23 the authority shall issue an eligibility statement to the owner of such
24 qualified project stating the amount of Nebraska affordable housing tax
25 credits allocated to the qualified project. The amount of such tax
26 credits shall be the amount of federal low-income housing tax credits
27 available to such project, except as otherwise provided in subsection (4)
28 of this section. Tax credits for each qualified project shall be issued
29 for the first six years of the credit period as defined in 26 U.S.C.
30 42(f)(1). The authority shall only allocate tax credits to qualified
31 projects that are placed in service after January 1, 2018.

1 (3) The Nebraska affordable housing tax credit shall be allocated
2 among some or all of the partners, members, or shareholders of the owner
3 of the qualified project in any manner agreed to by such persons. A
4 qualified taxpayer may assign all or part of his or her ownership
5 interest, including his or her interest in the tax credits authorized in
6 this section. For any tax year in which such an interest is assigned
7 pursuant to this subsection, the assignor shall file a written statement
8 with his or her tax return specifying the amount of the credits assigned.

9 (4) The maximum amount of Nebraska affordable housing tax credits
10 awarded to all qualified projects in any given allocation year shall be
11 no more than one hundred percent of the total amount of federal low-
12 income housing tax credits awarded by the authority in the same
13 allocation year. Notwithstanding any other provision of the Affordable
14 Housing Tax Credit Act, the authority is prohibited from awarding to a
15 qualified project any combined amount of federal low-income housing tax
16 credits and Nebraska affordable housing tax credits that is more than
17 necessary to make the qualified project financially feasible.

18 (5) Any Nebraska affordable housing tax credits granted under this
19 section may be used to offset any income taxes due under section 77-2715
20 or 77-2734.02, any premium and related retaliatory taxes due under
21 section 44-150 or 77-908, or any franchise taxes due under sections
22 77-3801 to 77-3807.

23 (6) The tax credit shall not be used to reduce the tax liability of
24 the qualified taxpayer to less than zero. Any tax credit claimed but not
25 used in a taxable year may be carried forward.

26 Sec. 15. (1) The owner of a qualified project shall submit the
27 eligibility statement at the time of filing its tax return. If the
28 authority has not yet issued the eligibility statement at the time the
29 owner files its tax return, the owner may later amend the return to
30 include the eligibility statement.

31 (2) Nebraska affordable housing tax credits may only be claimed on

1 tax returns filed after January 1, 2019.

2 (3) The authority or the Department of Revenue may require the
3 filing of additional documentation necessary to determine the accuracy of
4 a Nebraska affordable housing tax credit claimed.

5 Sec. 16. An insurance company claiming a Nebraska affordable
6 housing tax credit against any premium and related retaliatory taxes due
7 under section 44-150 or 77-908 shall not be required to pay any
8 additional retaliatory tax as a result of claiming the tax credit. The
9 tax credit may fully offset any retaliatory tax imposed under Nebraska
10 law. Any tax credit claimed shall be considered a payment of tax for
11 purposes of subsection (1) of section 77-2734.03.

12 Sec. 17. If a portion of any federal low-income housing tax credits
13 taken on a qualified project is required to be recaptured or is otherwise
14 disallowed under 26 U.S.C. 42 during the 6-year period described in
15 subsection (2) of section 14 of this act, a portion of the Nebraska
16 affordable housing tax credits with respect to such project shall also be
17 recaptured from the qualified taxpayer who claimed such credits. The
18 percentage of Nebraska affordable housing tax credits subject to
19 recapture under this section shall be equal to the percentage of federal
20 low-income housing tax credits subject to recapture or otherwise
21 disallowed during such period. Any Nebraska affordable housing tax
22 credits recaptured or disallowed under this section shall be considered
23 income to the qualified taxpayer who claimed the credits in a like
24 amount, and such income shall be recognized by the qualified taxpayer in
25 the year the Department of Revenue declares the tax credits to be
26 disallowed or recaptured.

27 Sec. 18. The authority and the Department of Revenue may adopt and
28 promulgate rules and regulations to carry out the Affordable Housing Tax
29 Credit Act.

30 Sec. 19. Section 77-908, Revised Statutes Cumulative Supplement,
31 2014, is amended to read:

1 77-908 Every insurance company organized under the stock, mutual,
2 assessment, or reciprocal plan, except fraternal benefit societies, which
3 is transacting business in this state shall, on or before March 1 of each
4 year, pay a tax to the director of one percent of the gross amount of
5 direct writing premiums received by it during the preceding calendar year
6 for business done in this state, except that (1) for group sickness and
7 accident insurance the rate of such tax shall be five-tenths of one
8 percent and (2) for property and casualty insurance, excluding individual
9 sickness and accident insurance, the rate of such tax shall be one
10 percent. A captive insurer authorized under the Captive Insurers Act that
11 is transacting business in this state shall, on or before March 1 of each
12 year, pay to the director a tax of one-fourth of one percent of the gross
13 amount of direct writing premiums received by such insurer during the
14 preceding calendar year for business transacted in the state. The taxable
15 premiums shall include premiums paid on the lives of persons residing in
16 this state and premiums paid for risks located in this state whether the
17 insurance was written in this state or not, including that portion of a
18 group premium paid which represents the premium for insurance on Nebraska
19 residents or risks located in Nebraska included within the group when the
20 number of lives in the group exceeds five hundred. The tax shall also
21 apply to premiums received by domestic companies for insurance written on
22 individuals residing outside this state or risks located outside this
23 state if no comparable tax is paid by the direct writing domestic company
24 to any other appropriate taxing authority. Companies whose scheme of
25 operation contemplates the return of a portion of premiums to
26 policyholders, without such policyholders being claimants under the terms
27 of their policies, may deduct such return premiums or dividends from
28 their gross premiums for the purpose of tax calculations. Any such
29 insurance company shall receive a credit on the tax imposed as provided
30 in the Community Development Assistance Act, the Nebraska Job Creation
31 and Mainstreet Revitalization Act, and the New Markets Job Growth

1 Investment Act, and the Affordable Housing Tax Credit Act.

2 Sec. 20. Section 77-2715.07, Revised Statutes Supplement, 2015, is
3 amended to read:

4 77-2715.07 (1) There shall be allowed to qualified resident
5 individuals as a nonrefundable credit against the income tax imposed by
6 the Nebraska Revenue Act of 1967:

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

9 (b) A credit for taxes paid to another state as provided in section
10 77-2730.

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

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

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

1 dollars, except that for taxable years beginning or deemed to begin on or
2 after January 1, 2015, such refundable credit shall be allowed only if
3 the individual would have received the federal credit allowed under
4 section 21 of the code after adding back in any carryforward of a net
5 operating loss that was deducted pursuant to such section in determining
6 eligibility for the federal credit;

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

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

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

24 (3) There shall be allowed to all individuals as a nonrefundable
25 credit against the income tax imposed by the Nebraska Revenue Act of
26 1967:

27 (a) A credit for personal exemptions allowed under section
28 77-2716.01;

29 (b) A credit for contributions to certified community betterment
30 programs as provided in the Community Development Assistance Act. Each
31 partner, each shareholder of an electing subchapter S corporation, each

1 beneficiary of an estate or trust, or each member of a limited liability
2 company shall report his or her share of the credit in the same manner
3 and proportion as he or she reports the partnership, subchapter S
4 corporation, estate, trust, or limited liability company income;

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

7 (d) A credit as provided in the New Markets Job Growth Investment
8 Act;~~and~~

9 (e) A credit as provided in the Nebraska Job Creation and Mainstreet
10 Revitalization Act; and -

11 (f) A credit as provided in the Affordable Housing Tax Credit Act.

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

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

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

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

30 (5)(a) For all taxable years beginning on or after January 1, 2007,
31 and before January 1, 2009, under the Internal Revenue Code of 1986, as

1 amended, there shall be allowed to each partner, shareholder, member, or
2 beneficiary of a partnership, subchapter S corporation, limited liability
3 company, or estate or trust a nonrefundable credit against the income tax
4 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the
5 partner's, shareholder's, member's, or beneficiary's portion of the
6 amount of franchise tax paid to the state under sections 77-3801 to
7 77-3807 by a financial institution.

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

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

22 Sec. 21. Section 77-2717, Revised Statutes Cumulative Supplement,
23 2014, is amended to read:

24 77-2717 (1)(a)(i) For taxable years beginning or deemed to begin
25 before January 1, 2014, the tax imposed on all resident estates and
26 trusts shall be a percentage of the federal taxable income of such
27 estates and trusts as modified in section 77-2716, plus a percentage of
28 the federal alternative minimum tax and the federal tax on premature or
29 lump-sum distributions from qualified retirement plans. The additional
30 taxes shall be recomputed by (A) substituting Nebraska taxable income for
31 federal taxable income, (B) calculating what the federal alternative

1 minimum tax would be on Nebraska taxable income and adjusting such
2 calculations for any items which are reflected differently in the
3 determination of federal taxable income, and (C) applying Nebraska rates
4 to the result. The federal credit for prior year minimum tax, after the
5 recomputations required by the Nebraska Revenue Act of 1967, and the
6 credits provided in the Nebraska Advantage Microenterprise Tax Credit Act
7 and the Nebraska Advantage Research and Development Act shall be allowed
8 as a reduction in the income tax due. A refundable income tax credit
9 shall be allowed for all resident estates and trusts under the Angel
10 Investment Tax Credit Act, the Nebraska Advantage Microenterprise Tax
11 Credit Act, and the Nebraska Advantage Research and Development Act. A
12 nonrefundable income tax credit shall be allowed for all resident estates
13 and trusts as provided in the New Markets Job Growth Investment Act.

14 (ii) For taxable years beginning or deemed to begin on or after
15 January 1, 2014, the tax imposed on all resident estates and trusts shall
16 be a percentage of the federal taxable income of such estates and trusts
17 as modified in section 77-2716, plus a percentage of the federal tax on
18 premature or lump-sum distributions from qualified retirement plans. The
19 additional taxes shall be recomputed by substituting Nebraska taxable
20 income for federal taxable income and applying Nebraska rates to the
21 result. The credits provided in the Nebraska Advantage Microenterprise
22 Tax Credit Act and the Nebraska Advantage Research and Development Act
23 shall be allowed as a reduction in the income tax due. A refundable
24 income tax credit shall be allowed for all resident estates and trusts
25 under the Angel Investment Tax Credit Act, the Nebraska Advantage
26 Microenterprise Tax Credit Act, and the Nebraska Advantage Research and
27 Development Act. A nonrefundable income tax credit shall be allowed for
28 all resident estates and trusts as provided in the Nebraska Job Creation
29 and Mainstreet Revitalization Act, ~~and~~ the New Markets Job Growth
30 Investment Act, and the Affordable Housing Tax Credit Act.

31 (b) The tax imposed on all nonresident estates and trusts shall be

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

23 (2) In all instances wherein a fiduciary income tax return is
24 required under the provisions of the Internal Revenue Code, a Nebraska
25 fiduciary return shall be filed, except that a fiduciary return shall not
26 be required to be filed regarding a simple trust if all of the trust's
27 beneficiaries are residents of the State of Nebraska, all of the trust's
28 income is derived from sources in this state, and the trust has no
29 federal tax liability. The fiduciary shall be responsible for making the
30 return for the estate or trust for which he or she acts, whether the
31 income be taxable to the estate or trust or to the beneficiaries thereof.

1 The fiduciary shall include in the return a statement of each
2 beneficiary's distributive share of net income when such income is
3 taxable to such beneficiaries.

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

16 (4) If any beneficiary of such estate or trust is a nonresident
17 during any part of the estate's or trust's taxable year, he or she shall
18 file a Nebraska income tax return which shall include (a) in Nebraska
19 adjusted gross income that portion of the estate's or trust's Nebraska
20 income, as determined under sections 77-2724 and 77-2725, allocable to
21 his or her interest in the estate or trust and (b) a reduction of the
22 Nebraska tax liability by his or her proportionate share of the credits
23 as provided in the Angel Investment Tax Credit Act, the Nebraska
24 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research
25 and Development Act, the Nebraska Job Creation and Mainstreet
26 Revitalization Act, ~~and~~ the New Markets Job Growth Investment Act, and
27 the Affordable Housing Tax Credit Act and shall execute and forward to
28 the fiduciary, on or before the original due date of the Nebraska
29 fiduciary return, an agreement which states that he or she will file a
30 Nebraska income tax return and pay income tax on all income derived from
31 or connected with sources in this state, and such agreement shall be

1 attached to the Nebraska fiduciary return for such taxable year.

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

18 (6) The Tax Commissioner may allow a nonresident beneficiary to not
19 file a Nebraska income tax return if the nonresident beneficiary's only
20 source of Nebraska income was his or her share of the estate's or trust's
21 income which was derived from or attributable to sources within this
22 state, the nonresident did not file an agreement to file a Nebraska
23 income tax return, and the estate or trust has remitted the amount
24 required by subsection (5) of this section on behalf of such nonresident
25 beneficiary. The amount remitted shall be retained in satisfaction of the
26 Nebraska income tax liability of the nonresident beneficiary.

27 (7) For purposes of this section, unless the context otherwise
28 requires, simple trust shall mean any trust instrument which (a) requires
29 that all income shall be distributed currently to the beneficiaries, (b)
30 does not allow amounts to be paid, permanently set aside, or used in the
31 tax year for charitable purposes, and (c) does not distribute amounts

1 allocated in the corpus of the trust. Any trust which does not qualify as
2 a simple trust shall be deemed a complex trust.

3 (8) For purposes of this section, any beneficiary of an estate or
4 trust that is a grantor trust of a nonresident shall be disregarded and
5 this section shall apply as though the nonresident grantor was the
6 beneficiary.

7 Sec. 22. Section 77-2734.03, Revised Statutes Cumulative Supplement,
8 2014, is amended to read:

9 77-2734.03 (1)(a) For taxable years commencing prior to January 1,
10 1997, any (i) insurer paying a tax on premiums and assessments pursuant
11 to section 77-908 or 81-523, (ii) electric cooperative organized under
12 the Joint Public Power Authority Act, or (iii) credit union shall be
13 credited, in the computation of the tax due under the Nebraska Revenue
14 Act of 1967, with the amount paid during the taxable year as taxes on
15 such premiums and assessments and taxes in lieu of intangible tax.

16 (b) For taxable years commencing on or after January 1, 1997, any
17 insurer paying a tax on premiums and assessments pursuant to section
18 77-908 or 81-523, any electric cooperative organized under the Joint
19 Public Power Authority Act, or any credit union shall be credited, in the
20 computation of the tax due under the Nebraska Revenue Act of 1967, with
21 the amount paid during the taxable year as (i) taxes on such premiums and
22 assessments included as Nebraska premiums and assessments under section
23 77-2734.05 and (ii) taxes in lieu of intangible tax.

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

31 (2) There shall be allowed to corporate taxpayers a tax credit for

1 contributions to community betterment programs as provided in the
2 Community Development Assistance Act.

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

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

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

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

17 (7) There shall be allowed to corporate taxpayers a nonrefundable
18 income tax credit as provided in the Nebraska Job Creation and Mainstreet
19 Revitalization Act, ~~and~~ the New Markets Job Growth Investment Act, and
20 the Affordable Housing Tax Credit Act.

21 Sec. 23. Section 77-3806, Revised Statutes Cumulative Supplement,
22 2014, is amended to read:

23 77-3806 (1) The tax return shall be filed and the total amount of
24 the franchise tax shall be due on the fifteenth day of the third month
25 after the end of the taxable year. No extension of time to pay the tax
26 shall be granted. If the Tax Commissioner determines that the amount of
27 tax can be computed from available information filed by the financial
28 institutions with either state or federal regulatory agencies, the Tax
29 Commissioner may, by regulation, waive the requirement for the financial
30 institutions to file returns.

31 (2) Sections 77-2714 to 77-27,135 relating to deficiencies,

1 penalties, interest, the collection of delinquent amounts, and appeal
2 procedures for the tax imposed by section 77-2734.02 shall also apply to
3 the tax imposed by section 77-3802. If the filing of a return is waived
4 by the Tax Commissioner, the payment of the tax shall be considered the
5 filing of a return for purposes of sections 77-2714 to 77-27,135.

6 (3) No refund of the tax imposed by section 77-3802 shall be allowed
7 unless a claim for such refund is filed within ninety days of the date on
8 which (a) the tax is due or was paid, whichever is later, ~~or~~ (b) a change
9 is made to the amount of deposits or the net financial income of the
10 financial institution by a state or federal regulatory agency, or (c) the
11 Nebraska Investment Finance Authority issues an eligibility statement to
12 the financial institution pursuant to the Affordable Housing Tax Credit
13 Act.

14 (4) Any such financial institution shall receive a credit on the
15 franchise tax as provided under the Affordable Housing Tax Credit Act,
16 the Community Development Assistance Act, the Nebraska Job Creation and
17 Mainstreet Revitalization Act, and the New Markets Job Growth Investment
18 Act.

19 Sec. 24. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 26 of this
20 act become operative on October 1, 2016. The other sections of this act
21 become operative on their effective date.

22 Sec. 25. Original sections 77-908, 77-2717, 77-2734.03, and 77-3806,
23 Revised Statutes Cumulative Supplement, 2014, and section 77-2715.07,
24 Revised Statutes Supplement, 2015, are repealed.

25 Sec. 26. Original sections 13-2603, 13-2604, 13-2605, 13-2609,
26 13-3102, 13-3103, 13-3104, and 13-3106, Reissue Revised Statutes of
27 Nebraska, section 13-2709, Revised Statutes Cumulative Supplement, 2014,
28 and sections 13-2610 and 13-3108, Revised Statutes Supplement, 2015, are
29 repealed.