

One Hundred Seventh Legislature - First Session - 2021

Introducer's Statement of Intent

LB364

Chairperson: Senator Lou Ann Linehan

Committee: Revenue

Date of Hearing: January 28, 2021

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 364 would create the Opportunity Scholarships Act. Under the Act, individual and corporate taxpayers would qualify for a non-refundable tax credit equal to the amount the taxpayer contributed to a scholarship-granting organization. No taxpayer may receive tax credits in an amount exceeding 50% of their state income tax liability.

Each nonprofit, scholarship-granting organization certified by the Nebraska Department of Revenue shall provide education scholarships to assist eligible students to attend a qualified, nonprofit, private elementary or secondary school.

The Act defines an eligible student as a dependent member of a household that qualified for free or reduced lunch during the year prior to the granting of the scholarship.

The credits are available for tax years beginning or deemed to begin on or after January 1, 2022 and are capped annually at \$10 million. Credits are awarded in the order in which they are received. If the cap is reached during the year, the credits will be allocated.

Principal Introducer: _____

Senator Lou Ann Linehan