

One Hundred Seventh Legislature - First Session - 2021

Introducer's Statement of Intent

LB547

Chairperson: Senator Lou Ann Linehan

Committee: Revenue

Date of Hearing: February 18, 2021

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

LB 547 adopts the Nebraska Small Business Act. A tax credit is allowed if a taxpayer attains a cumulative investment in qualified property of at least \$150,000 and hires at least five new employees at a qualified location and pays a minimum qualifying wage of 70% of the Nebraska statewide hourly wage. Qualified location means any location in this state that is located within an ERA or a city or village with less than 100,000 inhabitants. The amount of the employee credit shall be \$3,000 for each new equivalent employee, with an additional \$1,000 credit if the employee resides in an ERA.

The amount of the investment credit shall be five percent of the increased investment, or six percent if the investment is greater than \$500,000. The credits shall not exceed \$50,000. To earn incentives set forth in the Nebraska Small Business Act, the taxpayer shall file an agreement with DED. The application fee is \$500. All but one hundred dollars of the application fee shall be refunded if the application is not approved. The director shall not approve any further applications once the expected incentives from the approved projects total \$15,000,000. There shall be no new application after December 31, 2031.

Principal Introducer: _____

Senator Justin Wayne