

AMENDMENTS TO LB491

Introduced by von Gillern, 4.

1 1. Strike original section 3 and insert the following new section:

2 Sec. 3. Section 77-5808, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 77-5808 (1) This subsection shall apply for tax years beginning or
5 deemed to begin on or after January 1, 2009, and before January 1, 2023.

6 The Tax Commissioner shall not approve or grant to any person any tax
7 incentive under the Nebraska Advantage Research and Development Act
8 unless the taxpayer provides evidence satisfactory to the Tax
9 Commissioner that the taxpayer electronically verified the work
10 eligibility status of ~~all~~ newly hired employees employed in Nebraska.
11 ~~This section does not apply to any credit claimed in a tax year beginning~~
12 ~~or deemed to begin before January 1, 2009, under the Internal Revenue~~
13 ~~Code of 1986, as amended.~~

14 (2) This subsection shall apply for tax years beginning or deemed to
15 begin on or after January 1, 2023. When calculating the research tax
16 credit as provided in the Nebraska Advantage Research and Development
17 Act, the qualified research expenses claimed in computing the federal
18 credit allowed under section 41 of the Internal Revenue Code of 1986, as
19 amended, shall be adjusted to the extent the taxpayer includes, in such
20 qualified research expenses, compensation paid to an employee of such
21 taxpayer hired during or after the first tax year for which the Nebraska
22 Advantage Research and Development Act credit is claimed by such firm and
23 to the extent such compensation is subject to Nebraska income tax. Such
24 compensation, for the tax year in which the credit is being claimed,
25 shall be deducted from the taxpayer's qualified research expenses unless
26 such employee was verified as eligible to work in the United States using
27 the federal E-Verify system within ninety days after the date of hire of

- 1 such employee or such longer period as may be permitted under the rules
- 2 of the federal E-Verify system. Such verification may be performed by the
- 3 taxpayer or by someone on the taxpayer's behalf.