

AMENDMENTS TO LB606  
(Amendments to FA1)

Introduced by Hunt, 8.

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

3           1. Strike the original sections and all amendments thereto and  
4 insert the following new sections:

5           Section 1. Sections 1 to 9 of this act shall be known and may be  
6 cited as the Feed Nebraska Families Act.

7           Sec. 2. For purposes of the Feed Nebraska Families Act:

8           (1) Department means the Department of Revenue;

9           (2) Eligible charitable organization means a food bank that:

10           (a) Is exempt from federal income taxation under section 501(c)(3)  
11 of the Internal Revenue Code of 1986, as amended;

12           (b) Maintains its physical office in the State of Nebraska; and

13           (c) Is approved by the department pursuant to section 3 of this act;  
14 and

15           (3) Food bank means a nonprofit organization that focuses on food  
16 distribution.

17           Sec. 3. (1) A food bank seeking to become an eligible charitable  
18 organization shall provide the department with a written certification  
19 that it meets all criteria to be considered an eligible charitable  
20 organization. The certification must be signed by an officer of the food  
21 bank under penalty of perjury. The certification shall include the  
22 following:

23           (a) Verification of the food bank's status under section 501(c)(3)  
24 of the Internal Revenue Code of 1986, as amended; and

25           (b) A statement that the food bank maintains its physical office in  
26 the State of Nebraska.

1           (2) The department shall review each written certification and  
2 determine whether the food bank meets all of the criteria to be  
3 considered an eligible charitable organization and shall notify the food  
4 bank of its determination. Any food bank whose certification is approved  
5 under this section shall be considered an eligible charitable  
6 organization.

7           (3) A food bank shall notify the department within sixty days of any  
8 changes that may affect its status as an eligible charitable  
9 organization.

10           (4) The department may periodically request recertification from a  
11 food bank that was previously approved as an eligible charitable  
12 organization under this section.

13           (5) The department shall compile and make available to the public a  
14 list of eligible charitable organizations that have been approved under  
15 this section.

16           Sec. 4. (1) An individual taxpayer who makes one or more cash  
17 contributions to one or more eligible charitable organizations during a  
18 tax year shall be eligible for a credit against the income tax due under  
19 the Nebraska Revenue Act of 1967. Except as otherwise provided in the  
20 Feed Nebraska Families Act, the amount of the credit shall be equal to  
21 the lesser of (a) the total amount of such contributions made during the  
22 tax year or (b) fifty percent of the income tax liability of such  
23 taxpayer for the tax year. A taxpayer may only claim a credit pursuant to  
24 this section for the portion of the contribution that was not claimed as  
25 a charitable contribution under the Internal Revenue Code of 1986, as  
26 amended.

27           (2) Taxpayers who are married but file separate returns for a tax  
28 year in which they could have filed a joint return may each claim only  
29 one-half of the tax credit that would otherwise have been allowed for a  
30 joint return.

31           (3) The tax credit allowed under this section shall be a

1 nonrefundable credit. Any amount of the credit that is unused may be  
2 carried forward and applied against the taxpayer's income tax liability  
3 for the next five years immediately following the tax year in which the  
4 credit is first allowed. The tax credit cannot be carried back.

5 (4) The tax credit allowed under this section is subject to section  
6 8 of this act.

7 Sec. 5. (1) Any partnership, limited liability company, or  
8 corporation having an election in effect under subchapter S of the  
9 Internal Revenue Code of 1986, as amended, that is carrying on any trade  
10 or business for which deductions would be allowed under section 162 of  
11 the Internal Revenue Code of 1986, as amended, or is carrying on any  
12 rental activity, and that makes one or more cash contributions to one or  
13 more eligible charitable organizations during a tax year shall be  
14 eligible for a credit against the income tax due under the Nebraska  
15 Revenue Act of 1967. Except as otherwise provided in the Feed Nebraska  
16 Families Act, the amount of the credit shall be equal to the lesser of  
17 (a) the total amount of such contributions made during the tax year or  
18 (b) fifty percent of the income tax liability of such taxpayer for the  
19 tax year. A taxpayer may only claim a credit pursuant to this section for  
20 the portion of the contribution that was not claimed as a charitable  
21 contribution under the Internal Revenue Code of 1986, as amended. The  
22 credit shall be attributed to each partner, member, or shareholder in the  
23 same proportion used to report the partnership's, limited liability  
24 company's, or subchapter S corporation's income or loss for income tax  
25 purposes.

26 (2) The tax credit allowed under this section shall be a  
27 nonrefundable credit. Any amount of the tax credit that is unused may be  
28 carried forward and applied against the taxpayer's income tax liability  
29 for the next five years immediately following the tax year in which the  
30 credit is first allowed. The tax credit cannot be carried back.

31 (3) The tax credit allowed under this section is subject to section

1 8 of this act.

2       Sec. 6. (1) An estate or trust that makes one or more cash  
3 contributions to one or more eligible charitable organizations during a  
4 tax year shall be eligible for a credit against the income tax due under  
5 the Nebraska Revenue Act of 1967. Except as otherwise provided in the  
6 Feed Nebraska Families Act, the amount of the credit shall be equal to  
7 the lesser of (a) the total amount of such contributions made during the  
8 tax year or (b) fifty percent of the income tax liability of such  
9 taxpayer for the tax year. A taxpayer may only claim a credit pursuant to  
10 this section for the portion of the contribution that was not claimed as  
11 a charitable contribution under the Internal Revenue Code of 1986, as  
12 amended. Any credit not used by the estate or trust may be attributed to  
13 each beneficiary of the estate or trust in the same proportion used to  
14 report the beneficiary's income from the estate or trust for income tax  
15 purposes.

16       (2) The tax credit allowed under this section shall be a  
17 nonrefundable credit. Any amount of the tax credit that is unused may be  
18 carried forward and applied against the taxpayer's income tax liability  
19 for the next five years immediately following the tax year in which the  
20 credit is first allowed. The tax credit cannot be carried back.

21       (3) The tax credit allowed under this section is subject to section  
22 8 of this act.

23       Sec. 7. (1) A corporate taxpayer as defined in section 77-2734.04  
24 that makes one or more cash contributions to one or more eligible  
25 charitable organizations during a tax year shall be eligible for a credit  
26 against the income tax due under the Nebraska Revenue Act of 1967. Except  
27 as otherwise provided in the Feed Nebraska Families Act, the amount of  
28 the credit shall be equal to the lesser of (a) the total amount of such  
29 contributions made during the tax year or (b) fifty percent of the income  
30 tax liability of such taxpayer for the tax year. A taxpayer may only  
31 claim a credit pursuant to this section for the portion of the

1 contribution that was not claimed as a charitable contribution under the  
2 Internal Revenue Code of 1986, as amended.

3 (2) The tax credit allowed under this section shall be a  
4 nonrefundable credit. Any amount of the tax credit that is unused may be  
5 carried forward and applied against the taxpayer's income tax liability  
6 for the next five years immediately following the tax year in which the  
7 credit is first allowed. The tax credit cannot be carried back.

8 (3) The tax credit allowed under this section is subject to section  
9 8 of this act.

10 Sec. 8. (1) Prior to making a contribution to an eligible  
11 charitable organization, any taxpayer desiring to claim a tax credit  
12 under the Feed Nebraska Families Act shall notify the eligible charitable  
13 organization of the taxpayer's intent to make a contribution and the  
14 amount to be claimed as a tax credit. Upon receiving each such  
15 notification, the eligible charitable organization shall notify the  
16 department of the intended tax credit amount. If the department  
17 determines that the intended tax credit amount in the notification would  
18 exceed the limit specified in subsection (3) of this section, the  
19 department shall notify the eligible charitable organization of its  
20 determination within thirty days after receipt of the notification. The  
21 eligible charitable organization shall then promptly notify the taxpayer  
22 of the department's determination that the intended tax credit amount in  
23 the notification is not available. If an amount less than the amount  
24 indicated in the notification is available for a tax credit, the  
25 department shall notify the eligible charitable organization of the  
26 available amount and the eligible charitable organization shall notify  
27 the taxpayer of the available amount within three business days.

28 (2) In order to be allowed a tax credit as provided by the act, the  
29 taxpayer shall make its contribution between thirty-one and sixty days  
30 after notifying the eligible charitable organization of the taxpayer's  
31 intent to make a contribution. If the eligible charitable organization

1 does not receive the contribution within the required time period, it  
2 shall notify the department of such fact and the department shall no  
3 longer include such amount when calculating whether the limit prescribed  
4 in subsection (3) of this section has been exceeded. If the eligible  
5 charitable organization receives the contribution within the required  
6 time period, it shall provide the taxpayer with a receipt for the  
7 contribution. The receipt shall show the name and address of the eligible  
8 charitable organization, the name, address, and, if available, tax  
9 identification number of the taxpayer making the contribution, the amount  
10 of the contribution, and the date the contribution was received.

11 (3) The department shall consider notifications regarding intended  
12 tax credit amounts in the order in which they are received to ascertain  
13 whether the intended tax credit amounts are within the annual limit  
14 provided in this subsection. The annual limit on the total amount of tax  
15 credits for calendar year 2024 and each calendar year thereafter shall be  
16 ten million dollars. Once credits have reached the annual limit for any  
17 calendar year, no additional credits shall be allowed for such calendar  
18 year. Credits shall be prorated among the notifications received on the  
19 day the annual limit is exceeded. No more than fifty percent of the  
20 credits allowed for any calendar year shall be for contributions to a  
21 single eligible charitable organization.

22 Sec. 9. The department may adopt and promulgate rules and  
23 regulations to carry out the Feed Nebraska Families Act.

24 Sec. 10. Section 77-2715.07, Revised Statutes Cumulative Supplement,  
25 2022, is amended to read:

26 77-2715.07 (1) There shall be allowed to qualified resident  
27 individuals as a nonrefundable credit against the income tax imposed by  
28 the Nebraska Revenue Act of 1967:

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

31 (b) A credit for taxes paid to another state as provided in section

1 77-2730.

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

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

14 (b) For returns filed reporting federal adjusted gross income of  
15 twenty-nine thousand dollars or less, a refundable credit equal to a  
16 percentage of the federal credit allowable under section 21 of the  
17 Internal Revenue Code of 1986, as amended, whether or not the federal  
18 credit was limited by the federal tax liability. The percentage of the  
19 federal credit shall be one hundred percent for incomes not greater than  
20 twenty-two thousand dollars, and the percentage shall be reduced by ten  
21 percent for each one thousand dollars, or fraction thereof, by which the  
22 reported federal adjusted gross income exceeds twenty-two thousand  
23 dollars, except that for taxable years beginning or deemed to begin on or  
24 after January 1, 2015, such refundable credit shall be allowed only if  
25 the individual would have received the federal credit allowed under  
26 section 21 of the code after adding back in any carryforward of a net  
27 operating loss that was deducted pursuant to such section in determining  
28 eligibility for the federal credit;

29 (c) A refundable credit as provided in section 77-5209.01 for  
30 individuals who qualify for an income tax credit as a qualified beginning  
31 farmer or livestock producer under the Beginning Farmer Tax Credit Act

1 for all taxable years beginning or deemed to begin on or after January 1,  
2 2006, under the Internal Revenue Code of 1986, as amended;

3 (d) A refundable credit for individuals who qualify for an income  
4 tax credit under the Angel Investment Tax Credit Act, the Nebraska  
5 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research  
6 and Development Act, or the Volunteer Emergency Responders Incentive Act;  
7 and

8 (e) A refundable credit equal to ten percent of the federal credit  
9 allowed under section 32 of the Internal Revenue Code of 1986, as  
10 amended, except that for taxable years beginning or deemed to begin on or  
11 after January 1, 2015, such refundable credit shall be allowed only if  
12 the individual would have received the federal credit allowed under  
13 section 32 of the code after adding back in any carryforward of a net  
14 operating loss that was deducted pursuant to such section in determining  
15 eligibility for the federal credit.

16 (3) There shall be allowed to all individuals as a nonrefundable  
17 credit against the income tax imposed by the Nebraska Revenue Act of  
18 1967:

19 (a) A credit for personal exemptions allowed under section  
20 77-2716.01;

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

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

30 (d) A credit as provided in the New Markets Job Growth Investment  
31 Act;



1 (e) A credit as provided in the Nebraska Job Creation and Mainstreet  
2 Revitalization Act;

3 (f) A credit to employers as provided in sections 77-27,238 and  
4 77-27,240;~~and~~

5 (g) A credit as provided in the Affordable Housing Tax Credit Act;  
6 and -

7 (h) A credit as provided in the Feed Nebraska Families Act.

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

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

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

15 (c) A refundable credit for individuals who qualify for an income  
16 tax credit as an owner of agricultural assets under the Beginning Farmer  
17 Tax Credit Act for all taxable years beginning or deemed to begin on or  
18 after January 1, 2009, under the Internal Revenue Code of 1986, as  
19 amended. The credit allowed for each partner, shareholder, member, or  
20 beneficiary of a partnership, corporation, limited liability company, or  
21 estate or trust qualifying for an income tax credit as an owner of  
22 agricultural assets under the Beginning Farmer Tax Credit Act shall be  
23 equal to the partner's, shareholder's, member's, or beneficiary's portion  
24 of the amount of tax credit distributed pursuant to subsection (6) of  
25 section 77-5211.

26 (5)(a) For all taxable years beginning on or after January 1, 2007,  
27 and before January 1, 2009, under the Internal Revenue Code of 1986, as  
28 amended, there shall be allowed to each partner, shareholder, member, or  
29 beneficiary of a partnership, subchapter S corporation, limited liability  
30 company, or estate or trust a nonrefundable credit against the income tax  
31 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the

1 partner's, shareholder's, member's, or beneficiary's portion of the  
2 amount of franchise tax paid to the state under sections 77-3801 to  
3 77-3807 by a financial institution.

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

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

18 (6) There shall be allowed to all individuals nonrefundable credits  
19 against the income tax imposed by the Nebraska Revenue Act of 1967 as  
20 provided in section 77-3604 and refundable credits against the income tax  
21 imposed by the Nebraska Revenue Act of 1967 as provided in section  
22 77-3605.

23 (7)(a) For taxable years beginning or deemed to begin on or after  
24 January 1, 2020, and before January 1, 2026, under the Internal Revenue  
25 Code of 1986, as amended, a nonrefundable credit against the income tax  
26 imposed by the Nebraska Revenue Act of 1967 in the amount of five  
27 thousand dollars shall be allowed to any individual who purchases a  
28 residence during the taxable year if such residence:

29 (i) Is located within an area that has been declared an extremely  
30 blighted area under section 18-2101.02;

31 (ii) Is the individual's primary residence; and

1 (iii) Was not purchased from a family member of the individual or a  
2 family member of the individual's spouse.

3 (b) The credit provided in this subsection shall be claimed for the  
4 taxable year in which the residence is purchased. If the individual  
5 cannot fully utilize the credit for such year, the credit may be carried  
6 forward to subsequent taxable years until fully utilized.

7 (c) No more than one credit may be claimed under this subsection  
8 with respect to a single residence.

9 (d) The credit provided in this subsection shall be subject to  
10 recapture by the Department of Revenue if the individual claiming the  
11 credit sells or otherwise transfers the residence or quits using the  
12 residence as his or her primary residence within five years after the end  
13 of the taxable year in which the credit was claimed.

14 (e) For purposes of this subsection, family member means an  
15 individual's spouse, child, parent, brother, sister, grandchild, or  
16 grandparent, whether by blood, marriage, or adoption.

17 (8) There shall be allowed to all individuals refundable credits  
18 against the income tax imposed by the Nebraska Revenue Act of 1967 as  
19 provided in the Nebraska Higher Blend Tax Credit Act, the Nebraska  
20 Property Tax Incentive Act, and the Renewable Chemical Production Tax  
21 Credit Act.

22 (9)(a) For taxable years beginning or deemed to begin on or after  
23 January 1, 2022, under the Internal Revenue Code of 1986, as amended, a  
24 refundable credit against the income tax imposed by the Nebraska Revenue  
25 Act of 1967 shall be allowed to the parent of a stillborn child if:

26 (i) A fetal death certificate is filed pursuant to subsection (1) of  
27 section 71-606 for such child;

28 (ii) Such child had advanced to at least the twentieth week of  
29 gestation; and

30 (iii) Such child would have been a dependent of the individual  
31 claiming the credit.

1 (b) The amount of the credit shall be two thousand dollars.

2 (c) The credit shall be allowed for the taxable year in which the  
3 stillbirth occurred.

4 Sec. 11. Section 77-2717, Revised Statutes Cumulative Supplement,  
5 2022, is amended to read:

6 77-2717 (1)(a)(i) For taxable years beginning or deemed to begin  
7 before January 1, 2014, the tax imposed on all resident estates and  
8 trusts shall be a percentage of the federal taxable income of such  
9 estates and trusts as modified in section 77-2716, plus a percentage of  
10 the federal alternative minimum tax and the federal tax on premature or  
11 lump-sum distributions from qualified retirement plans. The additional  
12 taxes shall be recomputed by (A) substituting Nebraska taxable income for  
13 federal taxable income, (B) calculating what the federal alternative  
14 minimum tax would be on Nebraska taxable income and adjusting such  
15 calculations for any items which are reflected differently in the  
16 determination of federal taxable income, and (C) applying Nebraska rates  
17 to the result. The federal credit for prior year minimum tax, after the  
18 recomputations required by the Nebraska Revenue Act of 1967, and the  
19 credits provided in the Nebraska Advantage Microenterprise Tax Credit Act  
20 and the Nebraska Advantage Research and Development Act shall be allowed  
21 as a reduction in the income tax due. A refundable income tax credit  
22 shall be allowed for all resident estates and trusts under the Angel  
23 Investment Tax Credit Act, the Nebraska Advantage Microenterprise Tax  
24 Credit Act, and the Nebraska Advantage Research and Development Act. A  
25 nonrefundable income tax credit shall be allowed for all resident estates  
26 and trusts as provided in the New Markets Job Growth Investment Act.

27 (ii) For taxable years beginning or deemed to begin on or after  
28 January 1, 2014, the tax imposed on all resident estates and trusts shall  
29 be a percentage of the federal taxable income of such estates and trusts  
30 as modified in section 77-2716, plus a percentage of the federal tax on  
31 premature or lump-sum distributions from qualified retirement plans. The

1 additional taxes shall be recomputed by substituting Nebraska taxable  
2 income for federal taxable income and applying Nebraska rates to the  
3 result. The credits provided in the Nebraska Advantage Microenterprise  
4 Tax Credit Act and the Nebraska Advantage Research and Development Act  
5 shall be allowed as a reduction in the income tax due. A refundable  
6 income tax credit shall be allowed for all resident estates and trusts  
7 under the Angel Investment Tax Credit Act, the Nebraska Advantage  
8 Microenterprise Tax Credit Act, the Nebraska Advantage Research and  
9 Development Act, the Nebraska Higher Blend Tax Credit Act, the Nebraska  
10 Property Tax Incentive Act, and the Renewable Chemical Production Tax  
11 Credit Act. A nonrefundable income tax credit shall be allowed for all  
12 resident estates and trusts as provided in the Nebraska Job Creation and  
13 Mainstreet Revitalization Act, the New Markets Job Growth Investment Act,  
14 the School Readiness Tax Credit Act, the Affordable Housing Tax Credit  
15 Act, the Feed Nebraska Families Act, and sections 77-27,238 and  
16 77-27,240.

17 (b) The tax imposed on all nonresident estates and trusts shall be  
18 the portion of the tax imposed on resident estates and trusts which is  
19 attributable to the income derived from sources within this state. The  
20 tax which is attributable to income derived from sources within this  
21 state shall be determined by multiplying the liability to this state for  
22 a resident estate or trust with the same total income by a fraction, the  
23 numerator of which is the nonresident estate's or trust's Nebraska income  
24 as determined by sections 77-2724 and 77-2725 and the denominator of  
25 which is its total federal income after first adjusting each by the  
26 amounts provided in section 77-2716. The federal credit for prior year  
27 minimum tax, after the recomputations required by the Nebraska Revenue  
28 Act of 1967, reduced by the percentage of the total income which is  
29 attributable to income from sources outside this state, and the credits  
30 provided in the Nebraska Advantage Microenterprise Tax Credit Act and the  
31 Nebraska Advantage Research and Development Act shall be allowed as a

1 reduction in the income tax due. A refundable income tax credit shall be  
2 allowed for all nonresident estates and trusts under the Angel Investment  
3 Tax Credit Act, the Nebraska Advantage Microenterprise Tax Credit Act,  
4 the Nebraska Advantage Research and Development Act, the Nebraska Higher  
5 Blend Tax Credit Act, the Nebraska Property Tax Incentive Act, and the  
6 Renewable Chemical Production Tax Credit Act. A nonrefundable income tax  
7 credit shall be allowed for all nonresident estates and trusts as  
8 provided in the Nebraska Job Creation and Mainstreet Revitalization Act,  
9 the New Markets Job Growth Investment Act, the School Readiness Tax  
10 Credit Act, the Affordable Housing Tax Credit Act, the Feed Nebraska  
11 Families Act, and sections 77-27,238 and 77-27,240.

12 (2) In all instances wherein a fiduciary income tax return is  
13 required under the provisions of the Internal Revenue Code, a Nebraska  
14 fiduciary return shall be filed, except that a fiduciary return shall not  
15 be required to be filed regarding a simple trust if all of the trust's  
16 beneficiaries are residents of the State of Nebraska, all of the trust's  
17 income is derived from sources in this state, and the trust has no  
18 federal tax liability. The fiduciary shall be responsible for making the  
19 return for the estate or trust for which he or she acts, whether the  
20 income be taxable to the estate or trust or to the beneficiaries thereof.  
21 The fiduciary shall include in the return a statement of each  
22 beneficiary's distributive share of net income when such income is  
23 taxable to such beneficiaries.

24 (3) The beneficiaries of such estate or trust who are residents of  
25 this state shall include in their income their proportionate share of  
26 such estate's or trust's federal income and shall reduce their Nebraska  
27 tax liability by their proportionate share of the credits as provided in  
28 the Angel Investment Tax Credit Act, the Nebraska Advantage  
29 Microenterprise Tax Credit Act, the Nebraska Advantage Research and  
30 Development Act, the Nebraska Job Creation and Mainstreet Revitalization  
31 Act, the New Markets Job Growth Investment Act, the School Readiness Tax

1 Credit Act, the Affordable Housing Tax Credit Act, the Nebraska Higher  
2 Blend Tax Credit Act, the Nebraska Property Tax Incentive Act, the  
3 Renewable Chemical Production Tax Credit Act, the Feed Nebraska Families  
4 Act, and sections 77-27,238 and 77-27,240. There shall be allowed to a  
5 beneficiary a refundable income tax credit under the Beginning Farmer Tax  
6 Credit Act for all taxable years beginning or deemed to begin on or after  
7 January 1, 2001, under the Internal Revenue Code of 1986, as amended.

8 (4) If any beneficiary of such estate or trust is a nonresident  
9 during any part of the estate's or trust's taxable year, he or she shall  
10 file a Nebraska income tax return which shall include (a) in Nebraska  
11 adjusted gross income that portion of the estate's or trust's Nebraska  
12 income, as determined under sections 77-2724 and 77-2725, allocable to  
13 his or her interest in the estate or trust and (b) a reduction of the  
14 Nebraska tax liability by his or her proportionate share of the credits  
15 as provided in the Angel Investment Tax Credit Act, the Nebraska  
16 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research  
17 and Development Act, the Nebraska Job Creation and Mainstreet  
18 Revitalization Act, the New Markets Job Growth Investment Act, the School  
19 Readiness Tax Credit Act, the Affordable Housing Tax Credit Act, the  
20 Nebraska Higher Blend Tax Credit Act, the Nebraska Property Tax Incentive  
21 Act, the Renewable Chemical Production Tax Credit Act, the Feed Nebraska  
22 Families Act, and sections 77-27,238 and 77-27,240 and shall execute and  
23 forward to the fiduciary, on or before the original due date of the  
24 Nebraska fiduciary return, an agreement which states that he or she will  
25 file a Nebraska income tax return and pay income tax on all income  
26 derived from or connected with sources in this state, and such agreement  
27 shall be attached to the Nebraska fiduciary return for such taxable year.

28 (5) In the absence of the nonresident beneficiary's executed  
29 agreement being attached to the Nebraska fiduciary return, the estate or  
30 trust shall remit a portion of such beneficiary's income which was  
31 derived from or attributable to Nebraska sources with its Nebraska return

1 for the taxable year. For taxable years beginning or deemed to begin  
2 before January 1, 2013, the amount of remittance, in such instance, shall  
3 be the highest individual income tax rate determined under section  
4 77-2715.02 multiplied by the nonresident beneficiary's share of the  
5 estate or trust income which was derived from or attributable to sources  
6 within this state. For taxable years beginning or deemed to begin on or  
7 after January 1, 2013, the amount of remittance, in such instance, shall  
8 be the highest individual income tax rate determined under section  
9 77-2715.03 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. The amount remitted shall be allowed as a credit  
12 against the Nebraska income tax liability of the beneficiary.

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

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

29 (8) For purposes of this section, any beneficiary of an estate or  
30 trust that is a grantor trust of a nonresident shall be disregarded and  
31 this section shall apply as though the nonresident grantor was the



1 beneficiary.

2       Sec. 12. Section 77-2734.03, Revised Statutes Cumulative Supplement,  
3 2022, is amended to read:

4       77-2734.03 (1)(a) For taxable years commencing prior to January 1,  
5 1997, any (i) insurer paying a tax on premiums and assessments pursuant  
6 to section 77-908 or 81-523, (ii) electric cooperative organized under  
7 the Joint Public Power Authority Act, or (iii) credit union shall be  
8 credited, in the computation of the tax due under the Nebraska Revenue  
9 Act of 1967, with the amount paid during the taxable year as taxes on  
10 such premiums and assessments and taxes in lieu of intangible tax.

11       (b) For taxable years commencing on or after January 1, 1997, any  
12 insurer paying a tax on premiums and assessments pursuant to section  
13 77-908 or 81-523, any electric cooperative organized under the Joint  
14 Public Power Authority Act, or any credit union shall be credited, in the  
15 computation of the tax due under the Nebraska Revenue Act of 1967, with  
16 the amount paid during the taxable year as (i) taxes on such premiums and  
17 assessments included as Nebraska premiums and assessments under section  
18 77-2734.05 and (ii) taxes in lieu of intangible tax.

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

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

29       (3) There shall be allowed to corporate taxpayers a refundable  
30 income tax credit under the Beginning Farmer Tax Credit Act for all  
31 taxable years beginning or deemed to begin on or after January 1, 2001,

1 under the Internal Revenue Code of 1986, as amended.

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

6 (5) There shall be allowed to corporate taxpayers refundable income  
7 tax credits under the Nebraska Advantage Microenterprise Tax Credit Act,  
8 the Nebraska Advantage Research and Development Act, the Nebraska Higher  
9 Blend Tax Credit Act, the Nebraska Property Tax Incentive Act, and the  
10 Renewable Chemical Production Tax Credit Act.

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

14 (7) There shall be allowed to corporate taxpayers a nonrefundable  
15 income tax credit as provided in the Nebraska Job Creation and Mainstreet  
16 Revitalization Act, the New Markets Job Growth Investment Act, the School  
17 Readiness Tax Credit Act, the Affordable Housing Tax Credit Act, the Feed  
18 Nebraska Families Act, and sections 77-27,238 and 77-27,240.

19 Sec. 13. This act becomes operative for all taxable years beginning  
20 or deemed to begin on or after January 1, 2024, under the Internal  
21 Revenue Code of 1986, as amended.

22 Sec. 14. Original sections 77-2715.07, 77-2717, and 77-2734.03,  
23 Revised Statutes Cumulative Supplement, 2022, are repealed.