

ONE HUNDRED SIXTH LEGISLATURE - FIRST SESSION - 2019
COMMITTEE STATEMENT
LB310

Hearing Date: Wednesday February 13, 2019
Committee On: Revenue
Introducer: Vargas
One Liner: Change procedures for tax credits under the Nebraska Job Creation and Mainstreet Revitalization Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	6	Senators Briese, Crawford, Kolterman, Lindstrom, Linehan, McCollister
Nay:	1	Senator Groene
Absent:		
Present Not Voting:	1	Senator Friesen

Oral Testimony:

Proponents:

Meg Mandy
David Levy

Michael Sothan

Representing:

Senator Vargas - Introducer
Nebraska Economic Developers Association, Nebraska
Association of Commercial Property Owners, Omaha by
Design
Main Street Beatrice

Opponents:

Representing:

Neutral:

Trevor Jones

Representing:

Nebraska State Historical Society

Summary of purpose and/or changes:

The bill amends the Nebraska Job Creation and Mainstreet Revitalization Act ("the Historic Tax Credit"). It would require the Department of Revenue to determine the expenses eligible for the credit and the amount of the credit and issue the certificates for the credit within 60 days after referral of the application for final approval to the Department by the State Historic Preservation Officer. The Department and the officer may agree to extend this deadline for no more than an additional 30 days.

If the Department fails to comply with any of these provisions, the credit is deemed to have been issued in the amount requested, but may not exceed 110% of the amount of credits allocated by the officer. This shall not increase or decrease the total amount of credits allocated in any calendar year.

Under current law, a denial of a request for final approval by the Department may be appealed under the Administrative Procedures Act. The bill would allow an appeal of any determination of eligible expenses or any calculation of the amount of the credit by the Department.

Currently, the total amount of credits that may be allocated by the officer in any calendar year is limited to \$15 million, of which \$4 million is to be reserved for applications seeking an allocation of credits of less than \$100,000.

The amount of the credit is equal to 20% of eligible expenditures up to a maximum credit of \$1 million per application and is nonrefundable.

Explanation of amendments:

The amendment requires the recipient of the credit to pay a fee equal to 0.275% of the credit amount to the Department of Revenue for the cost of processing applications.

Lou Ann Linehan, Chairperson