

AMENDMENTS TO LB825

Introduced by Briese, 41.

1 1. Insert the following new sections:

2 Sec. 4. Section 77-6701, Revised Statutes Cumulative Supplement,
3 2020, is amended to read:

4 77-6701 Sections 77-6701 to 77-6705 and section 7 of this act shall
5 be known and may be cited as the Nebraska Property Tax Incentive Act.

6 Sec. 5. Section 77-6702, Revised Statutes Cumulative Supplement,
7 2020, is amended to read:

8 77-6702 For purposes of the Nebraska Property Tax Incentive Act:

9 (1) Allowable growth percentage means the percentage increase, if
10 any, in the total assessed value of all real property in the state from
11 the prior year to the current year, as determined by the department,
12 except that in no case shall the allowable growth percentage exceed five
13 percent in any one year;

14 (2) Community college taxes means property taxes levied on real
15 property in this state by a community college area, excluding any
16 property taxes levied for bonded indebtedness and any property taxes
17 levied as a result of an override of limits on property tax levies
18 approved by voters pursuant to section 77-3444;

19 (3) ~~(2)~~ Department means the Department of Revenue;

20 (4) ~~(3)~~ Eligible taxpayer means any individual, corporation,
21 partnership, limited liability company, trust, estate, or other entity
22 that pays school district taxes or community college taxes during a
23 taxable year; and

24 (5) ~~(4)~~ School district taxes means property taxes levied on real
25 property in this state by a school district or multiple-district school
26 system, excluding any property taxes levied for bonded indebtedness and
27 any property taxes levied as a result of an override of limits on

1 property tax levies approved by voters pursuant to section 77-3444.

2 Sec. 7. (1) For taxable years beginning or deemed to begin on or
3 after January 1, 2022, under the Internal Revenue Code of 1986, as
4 amended, there shall be allowed to each eligible taxpayer a refundable
5 credit against the income tax imposed by the Nebraska Revenue Act of 1967
6 or against the franchise tax imposed by sections 77-3801 to 77-3807. The
7 credit shall be equal to the credit percentage for the taxable year, as
8 set by the department under subsection (2) of this section, multiplied by
9 the amount of community college taxes paid by the eligible taxpayer
10 during such taxable year.

11 (2)(a) For taxable years beginning or deemed to begin during
12 calendar year 2022, the department shall set the credit percentage so
13 that the total amount of credits for such taxable years shall be fifty
14 million dollars;

15 (b) For taxable years beginning or deemed to begin during calendar
16 year 2023, the department shall set the credit percentage so that the
17 total amount of credits for such taxable years shall be one hundred
18 million dollars;

19 (c) For taxable years beginning or deemed to begin during calendar
20 year 2024, the department shall set the credit percentage so that the
21 total amount of credits for such taxable years shall be one hundred
22 twenty-five million dollars;

23 (d) For taxable years beginning or deemed to begin during calendar
24 year 2025, the department shall set the credit percentage so that the
25 total amount of credits for such taxable years shall be one hundred fifty
26 million dollars;

27 (e) For taxable years beginning or deemed to begin during calendar
28 year 2026, the department shall set the credit percentage so that the
29 total amount of credits for such taxable years shall be one hundred
30 ninety-five million dollars; and

31 (f) For taxable years beginning or deemed to begin during calendar

1 year 2027 and each calendar year thereafter, the department shall set the
2 credit percentage so that the total amount of credits for such taxable
3 years shall be the maximum amount of credits allowed in the prior year
4 increased by the allowable growth percentage.

5 (3) If the community college taxes are paid by a corporation having
6 an election in effect under subchapter S of the Internal Revenue Code, a
7 partnership, a limited liability company, a trust, or an estate, the
8 refundable credit shall be claimed by such corporation, partnership,
9 limited liability company, trust, or estate.

10 (4) For any fiscal year or short year taxpayer, the credit may be
11 claimed in the first taxable year that begins following the calendar year
12 for which the credit percentage was determined. The credit shall be taken
13 for the community college taxes paid by the taxpayer during the
14 immediately preceding calendar year.

15 2. Renumber the remaining sections and correct the repealer
16 accordingly.