

AMENDMENTS TO LB754

(Amendments to Standing Committee amendments, AM906)

Introduced by Hunt, 8.

1           1. Strike section 9 and insert the following new section:

2           Sec. 9. Section 77-2715.07, Revised Statutes Cumulative Supplement,  
3   2022, is amended to read:

4           77-2715.07 (1) There shall be allowed to qualified resident  
5   individuals as a nonrefundable credit against the income tax imposed by  
6   the Nebraska Revenue Act of 1967:

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

9           (b) A credit for taxes paid to another state as provided in section  
10   77-2730.

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

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

23          (b) For returns filed reporting federal adjusted gross income of  
24   twenty-nine thousand dollars or less, a refundable credit equal to a  
25   percentage of the federal credit allowable under section 21 of the  
26   Internal Revenue Code of 1986, as amended, whether or not the federal

1 credit was limited by the federal tax liability. The percentage of the  
2 federal credit shall be one hundred percent for incomes not greater than  
3 twenty-two thousand dollars, and the percentage shall be reduced by ten  
4 percent for each one thousand dollars, or fraction thereof, by which the  
5 reported federal adjusted gross income exceeds twenty-two thousand  
6 dollars, except that for taxable years beginning or deemed to begin on or  
7 after January 1, 2015, such refundable credit shall be allowed only if  
8 the individual would have received the federal credit allowed under  
9 section 21 of the code after adding back in any carryforward of a net  
10 operating loss that was deducted pursuant to such section in determining  
11 eligibility for the federal credit;

12 (c) A refundable credit as provided in section 77-5209.01 for  
13 individuals who qualify for an income tax credit as a qualified beginning  
14 farmer or livestock producer under the Beginning Farmer Tax Credit Act  
15 for all taxable years beginning or deemed to begin on or after January 1,  
16 2006, under the Internal Revenue Code of 1986, as amended;

17 (d) A refundable credit for individuals who qualify for an income  
18 tax credit under the Angel Investment Tax Credit Act, the Nebraska  
19 Advantage Microenterprise Tax Credit Act, the Nebraska Advantage Research  
20 and Development Act, or the Volunteer Emergency Responders Incentive Act;  
21 and

22 (e)(i) ~~(e)~~ A refundable credit equal to:

23 (A) Ten ~~ten~~ percent of the federal credit allowed under section 32  
24 of the Internal Revenue Code of 1986, as amended, for taxable years  
25 beginning or deemed to begin before January 1, 2024; and

26 (B) Seventeen percent of the federal credit allowed under section 32  
27 of the Internal Revenue Code of 1986, as amended, for taxable years  
28 beginning or deemed to begin on or after January 1, 2024.

29 (ii) For ~~except that for~~ taxable years beginning or deemed to begin  
30 on or after January 1, 2015, the ~~such~~ refundable credit provided in  
31 subdivision (2)(e)(i) of this section shall be allowed only if the

1 individual would have received the federal credit allowed under section  
2 32 of the code after adding back in any carryforward of a net operating  
3 loss that was deducted pursuant to such section in determining  
4 eligibility for the federal credit.

5 (3) There shall be allowed to all individuals as a nonrefundable  
6 credit against the income tax imposed by the Nebraska Revenue Act of  
7 1967:

8 (a) A credit for personal exemptions allowed under section  
9 77-2716.01;

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

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

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

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

23 (f) A credit to employers as provided in sections 77-27,238 and  
24 77-27,240; and

25 (g) A credit as provided in the Affordable Housing Tax Credit Act.

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

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

30 (b) A credit to all estates and trusts for contributions to  
31 certified community betterment programs as provided in the Community

1 Development Assistance Act; and

2 (c) A refundable credit for individuals who qualify for an income  
3 tax credit as an owner of agricultural assets under the Beginning Farmer  
4 Tax Credit Act for all taxable years beginning or deemed to begin on or  
5 after January 1, 2009, under the Internal Revenue Code of 1986, as  
6 amended. The credit allowed for each partner, shareholder, member, or  
7 beneficiary of a partnership, corporation, limited liability company, or  
8 estate or trust qualifying for an income tax credit as an owner of  
9 agricultural assets under the Beginning Farmer Tax Credit Act shall be  
10 equal to the partner's, shareholder's, member's, or beneficiary's portion  
11 of the amount of tax credit distributed pursuant to subsection (6) of  
12 section 77-5211.

13 (5)(a) For all taxable years beginning on or after January 1, 2007,  
14 and before January 1, 2009, under the Internal Revenue Code of 1986, as  
15 amended, there shall be allowed to each partner, shareholder, member, or  
16 beneficiary of a partnership, subchapter S corporation, limited liability  
17 company, or estate or trust a nonrefundable credit against the income tax  
18 imposed by the Nebraska Revenue Act of 1967 equal to fifty percent of the  
19 partner's, shareholder's, member's, or beneficiary's portion of the  
20 amount of franchise tax paid to the state under sections 77-3801 to  
21 77-3807 by a financial institution.

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

30 (c) Each partner, shareholder, member, or beneficiary shall report  
31 his or her share of the credit in the same manner and proportion as he or

1 she reports the partnership, subchapter S corporation, limited liability  
2 company, or estate or trust income. If any partner, shareholder, member,  
3 or beneficiary cannot fully utilize the credit for that year, the credit  
4 may not be carried forward or back.

5 (6) There shall be allowed to all individuals nonrefundable credits  
6 against the income tax imposed by the Nebraska Revenue Act of 1967 as  
7 provided in section 77-3604 and refundable credits against the income tax  
8 imposed by the Nebraska Revenue Act of 1967 as provided in section  
9 77-3605.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (10) There shall be allowed to all individuals refundable credits  
23 against the income tax imposed by the Nebraska Revenue Act of 1967 as  
24 provided in section 3 of this act and nonrefundable credits against the  
25 income tax imposed by the Nebraska Revenue Act of 1967 as provided in  
26 section 4 of this act.