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**2000**  
**Annual Report**

to the  
Nebraska Legislature  
March 15, 2001



Employment and Investment  
Growth Act,  
Employment Expansion  
and Investment Incentive Act  
(Including Enterprise Zone Act),  
Quality Jobs Act and  
Rural Economic Opportunities Act

**LB 775, LB 1124, LB 829, and LB 936**

# **Employment and Investment Growth Act, LB 775, as amended**



**Neb. Rev. Stat. §77-4110 states:**

*77-4110. Annual report; contents. (1) The Tax Commissioner shall submit an annual report to the Legislature no later than March 15 of each year.*

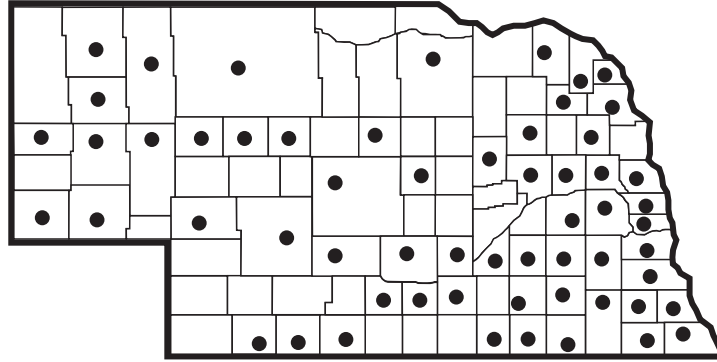
*(2) The report shall list (a) the agreements which have been signed during the previous calendar year, (b) the agreements which are still in effect, (c) the identity of each taxpayer, and (d) the location of each project.*

*(3) The report shall also state by industry group (a) the specific incentive options applied for under the Employment and Investment Growth Act, (b) the refunds allowed on the investment, (c) the credits earned, (d) the credits used to reduce the corporate income tax and the credits used to reduce the individual income tax, (e) the credits used to obtain sales and use tax refunds, (f) the number of jobs created, (g) the total number of employees employed in the state by the taxpayer on the last day of the calendar quarter prior to the application date and the total number of employees employed in the state by the taxpayer on subsequent reporting dates, (h) the expansion of capital investment, (i) the estimated wage levels of jobs created subsequent to the application date, (j) the total number of qualified applicants, (k) the projected future state revenue gains and losses, (l) the sales tax refunds owed to the applicants, (m) the credits outstanding, and (n) the value of personal property exempted by class in each county.*

*(4) No information shall be provided in the report that is protected by state or federal confidentiality laws.*

*(5) By December 1, 1990, the Department of Revenue shall prepare a report with the available information required in this section for all prior years the act has been in effect. Information required in this section that is not available to the department for the report due December 1, 1990, shall be provided in the next annual report.*

# LB 775 Activity Through 12/31/2000



A company has to file an application with the Nebraska Department of Revenue which describes their project and which states the planned amount of investment and additional employment. The applications are reviewed, and if approved, the Nebraska Department of Revenue and the applicant enter into a formal agreement which is signed by both parties. An application or an agreement can be withdrawn. Also, an application or agreement may be deleted for failure to meet the required levels within the time allowed.

Analysis of Applications and Agreements				
	Applications Received	Active Projects	Planned Investment (billions)	Planned New Jobs
Signed Agreements				
Active	343	343	4.151	32,643
Withdrawn	36			
Deleted	52			
Completed	22			
Subtotal-total signed Applications	453			
Pending as of 12/31/2000	158	158	2.570	17,594
Withdrawn	47			
Deleted	35			
<b>Total</b>	<b>693</b>	<b>501</b>	<b>6.721</b>	<b>50,237</b>

To earn the credits provided by LB 775, the investment must be made and the jobs created during the “attainment period,” which includes the year of the application and the succeeding six tax years. Two hundred ninety-six projects have reached the minimum required levels and qualified to receive credits and/or sales and use tax refunds. Twenty-two of these projects have received all expected benefits and are completed.

**Table 1 Analysis of Active Applications by Year of Application and, if Qualified, by Year Qualification Verified**

Application Year	Total Number of Active Applicants	Year Verified														Total	Completed Projects	Active Projects
		1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000				
1987	90	13	30	23	11	1	6	4	1	1					90	20	70	
1988	29		2	10	6	3	2	3	2			1			29	2	27	
1989	28			1	4	4	9	1	6	3					28		28	
1990	15					4	2		4	4	1				15		15	
1991	13					2	1	3	2	2		2	1		13		13	
1992	17							3	4	2	3	2		1	15		15	
1993	15								5	3	2		2		12		12	
1994	32								6	4	7	3			20		20	
1995	56									6	13	6	4	5	34		34	
1996	48										2	9	9	2	22		22	
1997	44											6	7	13		13		
1998	33											3	1	4		4		
1999	49*												1	4		4		
2000	54												1	1		1		
<b>Total</b>	<b>523</b>	<b>13</b>	<b>32</b>	<b>34</b>	<b>21</b>	<b>14</b>	<b>18</b>	<b>13</b>	<b>31</b>	<b>27</b>	<b>28</b>	<b>23</b>	<b>25**</b>	<b>17</b>	<b>296</b>	<b>22</b>	<b>274</b>	
<b>Completed Projects</b>	<b>22</b>	<b>5</b>	<b>9</b>	<b>4</b>	<b>4</b>										<b>22</b>			
<b>Active Projects</b>	<b>501</b>	<b>8</b>	<b>23</b>	<b>30</b>	<b>17</b>	<b>14</b>	<b>18</b>	<b>13</b>	<b>31</b>	<b>27</b>	<b>28</b>	<b>23</b>	<b>25</b>	<b>17</b>	<b>274</b>			

\* Annual report for 1999 omitted one application.

\*\* Upon final review of audit, one company previously reported as qualified was determined to be non-qualified.

## Agreements Signed in 2000

Company Name	Project Size	Project Location
1 Behlen Mfg. Co.	\$3M + 30 emp	Columbus
2 C S Precision Manufacturing, Inc.	\$7M + 30-35 emp	Scottsbluff
3 CXT Incorporated	\$3.5M + 30 emp	Grand Island
4 Excel Corp.	\$16.5M + 100 emp	Schuyler
5 First York Ban Corp.	\$3M + 30 emp	Statewide
6 Grand Island Accessories	\$3.5M + 37 emp	Grand Island
7 Great Dane Trailers	\$3M + 184 emp	Wayne
8 Hughes Brothers, Inc.	\$5.25M + 30 emp	Seward
9 Lee Enterprises	\$35M + 50 emp	Lincoln
10 Lindsay Manufacturing Co.	\$24M + 30 emp	Lindsay
11 Longview Fibre Company	\$7M + 30 emp	Seward
12 Midwest Padding L.L.C.	\$3.3M + 32 emp	Norfolk
13 National Crane Corporation	\$9.4M + 60 emp	Waverly
14 OpticTrek.com, Inc.	\$110-144M + 1,445 emp	Omaha
15 Triangle Pacific Corp.	\$10.3M + 100 emp	Auburn

## Agreements Signed in 1987 That are Still in Effect

Company Name	Project Size	Project Location
1 American Business Lists	\$7.5M + 215 emp	Greater Omaha Metropolitan Area
2 Applied Communications Inc.	\$10M + 100 emp	Greater Omaha Metropolitan Area
3 Central States Health & Life Co.	\$10M + 135 emp	Greater Omaha Metropolitan Area
4 ConAgra Inc.	\$10M + 100 emp	In or around metropolitan Omaha
5 Dale Electronics Inc.	\$18M + 244 emp	Columbus and Norfolk
6 Delicious Foods Co.	\$27M + 190 emp	Greater Grand Island Area
7 Dubuque Packing Co.	\$11M + 450 emp	Norfolk
8 Duncan Aviation Inc.	\$3M +30 emp	Lincoln
9 Epsen Hilmer Graphics	\$3-12M + 30 emp	Omaha
10 Foote & Davies/Lincoln	\$10M + 100 emp	Greater Lincoln Metropolitan Area
11 Goodyear Tire and Rubber Co.	\$50M + 100 emp	Lincoln
12 Greater Omaha Packing Co.	\$3M + 35 emp	Omaha
13 IBP Inc.	\$20M + 150 emp	Madison
14 IBP Inc.	\$10M + 100 emp	Dakota City and West Point
15 LRC Inc. & Subs	\$3M + 30 emp	Omaha, Lincoln, York, Crete, Norfolk
16 Lancer Label Inc.	\$11M + 155 emp	Omaha
17 Lozier Corporation	\$10.4M + 110 emp	Omaha
18 M P S Inc.	\$54.9M + 320 emp	Hall, Lancaster, Douglas, and Sarpy counties
19 Marianna Imports Inc.	\$3M + 30 emp	Greater Omaha Metropolitan Area
20 Neapco Inc.	\$6-\$10M + 30-50 emp	Beatrice
21 Nebraska/ DUPACO	\$12.5M + 130 emp	Greater Omaha Metropolitan Area
22 Northwestern Bell	\$60M + 150 emp	Omaha area
23 Omaha Steaks International	\$17.5M + 179 emp	Metropolitan Omaha Area
24 Pacesetter Corporation	\$3M + 51 emp	Greater Omaha Metropolitan Area
25 Peoples Natural Gas	\$10M + 130 emp	Omaha
26 Peter Kiewit Sons Inc.	\$20M + 300 emp	Greater Omaha Metropolitan Area
27 Physicians Mutual Insurance	\$10-12M + 300 emp	Omaha

Company Name	Project Size	Project Location
28 Square D Company	\$18M + 107 emp	Lincoln
29 United Parcel Service Inc.	\$16M + 300 emp	Douglas, Lancaster Counties, city of Kearney and other locations
30 ValCom	\$3M + 30 emp	Greater Omaha Metropolitan Area
31 Valmont Industries Inc.	\$10M + 100 emp	Valley
32 Werner Enterprises Inc.	\$11M + 190 emp	Douglas and Sarpy Counties
33 West Telemarketing Corp.	\$15M + 1,000 emp	Greater Omaha Metropolitan Area

### Agreements Signed in 1988 That are Still in Effect

Company Name	Project Size	Project Location
1 Affiliated Foods Coop. Inc.	\$6.7M + 67 emp	Norfolk
2 AirLite Plastics Company	\$10M + 30 emp	Greater Omaha Metropolitan Area
3 Alpo Petfoods Inc.	\$20M + 100 emp	Crete, Lincoln
4 Automated Monitoring & Control Inc.	\$14.4M + 332 emp	Greater Omaha Metropolitan Area
5 Becton Dickinson	\$38M + 109 emp	Columbus, Broken Bow, and Holdrege
6 Cook Family Foods of NE	\$11M + 190 emp	Lincoln
7 Dana Corporation	\$5.3M + 70 emp	Hastings
8 Dutton-Lainson Co.	\$4M + 51 emp	Hastings
9 Farmers & Merchants	\$4M + 82 emp	Lincoln, Omaha, Milford, Wahoo, Columbus, Syracuse, Auburn, Beatrice, Pawnee City, Oxford, Taylor, Kearney, Rising City, and other locations
10 First National of Nebraska	\$15M + 300 emp	Greater Omaha Metropolitan Area
11 Grand Island Accessories Inc.	\$3M + 30 emp	Grand Island
12 Great Plains Packaging Group	\$4.6M + 35 emp	Hastings and Lincoln
13 Guarantee Mutual Life Co.	\$10M + 114 emp	Greater Metropolitan Omaha Area
14 HW Mangelsens Inc.	\$3.5M + 33 emp	Greater Omaha Metropolitan Area
15 Harris Technology Group Inc.	\$18M + 395 emp	Lancaster County
16 Iams Company	\$17.2M + 39 emp	Hamilton County
17 International Galleries, Ltd.	\$10M + 525 emp	Lancaster, Sarpy, Douglas Counties
18 Land and Sky Inc	\$3M + 40 emp	Lincoln, Lancaster County, and other locations in the Southeast
19 Metromail	\$14M + 140 emp	Lancaster and Seward Counties
20 Metz Baking Co.	\$17M + 100 emp	Hastings, Omaha, South Sioux City, Beatrice, and Bellevue
21 Milton G Waldbaum Company	\$17M + 106 emp	Wakefield
22 Minnesota Mining & Mfg Co.	\$14.2M + 85 emp	Valley
23 Modern Equipment Co. Inc.	\$3.5M + 110 emp	Douglas County
24 Nashua Corporation	\$4M + 42 emp	Douglas County
25 Norden Laboratories	\$30M + 100 emp	Lincoln
26 Nucor Corporation	\$3M + 30 emp	Norfolk
27 Oriental Trading Co. Inc.	\$11M + 150 emp	Greater Omaha Metropolitan Area
28 Selection Research Inc	\$10.2M + 179 emp	Lincoln
29 Sitel Corporation	\$4.95M + 100 emp	Greater Omaha Metropolitan Area
30 Streck Laboratories Inc.	\$3.7M + 61 emp	Greater Omaha Metropolitan Area
31 Swift-Eckrich Inc.	\$3M + 30 emp	Greater Omaha Metropolitan Area
32 TV Transmission Inc.	\$30M + 40 emp	Lincoln, Lancaster County, Crete, Auburn, Nebraska City, Tecumseh, Table Rock, Pawnee City, Humboldt, Omaha, Fairbury, Superior, York, David City, Seward, Fremont, Dodge County, Inglewood, Douglas County, and other locations
33 TransTerra Company	\$4.4M + 48 emp	Metro Omaha
34 Universal Assurors	\$5.4M + 79 emp	Greater Omaha Metropolitan Area
35 Walker Manufacturing Co.	\$4M + 45 emp	Seward
36 Wilkinson Manufacturing Co.	\$4.4M + 35 emp	Ft. Calhoun

## Agreements Signed in 1989 That are Still in Effect

Company Name	Project Size	Project Location
1 Abbott Bank	\$3.5M + 30 emp	Alliance, Merriman, Chadron, Gordon, Mullen, Thedford, Valentine, Cody, Bridgeport, Hemingford, and Hyannis
2 Appleton Electric Company	\$3M + 30 emp	Columbus
3 Coleman Powermate Inc.	\$3M + 206 emp	Hastings and Kearney
4 ConAgra Inc.	\$12.7M + 30 emp	South Sioux City
5 DESCO Corp.	\$3M + 30 emp	Hastings and Oshkosh
6 Douglas & Lomason Co.	\$4.3M + 77 emp	Platte County and other locations
7 Ford New Holland Inc.	\$4.1M + 53 emp	Grand Island
8 IBP Inc.	\$77.5M + 1200 emp	Lexington
9 Idelman Telemarketing Inc.	\$3.7M + 310 emp	Greater Omaha Metropolitan Area
10 JA Baldwin Mfg. Co.	\$10M + 100 emp	Kearney
11 Lenco Company	\$10M + 100 emp	Lincoln, and Waverly
12 Omni Holding Company	\$3.8M + 34 emp	Omaha, Douglas and Sarpy Counties
13 Pamida Inc.	\$6M + 75 emp	Omaha
14 Principal Financial Group	\$6.2M + 100 emp	Grand Island
15 Radio Engineering Ind. Inc.	\$3.5M + 56 emp	Omaha
16 Sun Husker Foods Inc.	\$10M + 100 emp	Lincoln
17 Tri-Con Industries Inc.	\$9.7M + 85 emp	Lincoln
18 Utell International	\$10M + 100 emp	Omaha
19 Waste Technical Services	\$35.8M + 40 emp	Kimball
20 Yasufuku USA Inc.	\$3.5M + 36 emp	Lincoln

## Agreements Signed in 1990 That are Still in Effect

Company Name	Project Size	Project Location
1 900 Services, Inc.	\$10M + 100 emp	Greater Omaha Metropolitan Area
2 Accent Service Company Inc.	\$3.2M + 30 emp	Omaha, Lincoln, Fremont and Norfolk
3 American MicroTrace	\$3M + 30 emp	Fairbury
4 American Meter Company	\$3M + 30 emp	Nebraska City
5 Brass Buckle Inc.	\$3M + 37 emp	Kearney
6 Brunswick Corporation	\$3M + 30 emp	Lancaster County
7 Call Interactive	\$10M + 100 emp	Greater Omaha Metropolitan Area
8 ConAgra Inc.	\$10M + 100 emp	Hastings
9 Data Transmission Network	\$3M + 31 emp	Douglas County
10 Deeter Foundry Inc.	\$3.4M + 32 emp	Lincoln
11 Dorsey Laboratories, Div. of Sandoz Pharmaceuticals Corp.	\$35M + 120 emp	Lancaster County
12 Eagle Plastics Inc.	\$3M + 30 emp	Hastings
13 Excel Corp.	\$11.3M + 100 emp	Schuyler
14 Exmark Manufacturing Co. Inc.	\$3.1M + 46 emp	Beatrice
15 Farmland Foods Inc.	\$13.7M + 110 emp	Crete
16 First Commerce Bancshares	\$12.2M + 100 emp	Lincoln, Grand Island, Columbus, Kearney, North Platte, and other locations
17 Ford Motor Credit Company	\$10.4M + 300 emp	Omaha
18 Fremont Beef Company	\$10M + 100 emp	Fremont
19 Goodyear Tire & Rubber	\$3M + 30 emp	Norfolk
20 Great West Casualty Co.	\$4.9M + 59 emp	South Sioux City

<b>Company Name</b>	<b>Project Size</b>	<b>Project Location</b>
21 Hyatt Hotels Corporation	\$10M + 100 emp	Omaha
22 Industrial Machine Spec. Inc.	\$3M + 30 emp	Lincoln
23 K-B Foods Inc.	\$3M + 30 emp	Douglas County
24 Kawasaki Motors Mfg. Corp.	\$14.3M + 106 emp	Lincoln
25 Lester Electric	\$3M + 30 emp	Lancaster County and adjacent counties
26 Lincoln Benefit Life	\$3M + 140 emp	Lincoln
27 Lindsay Manufacturing Co.	\$3M + 30 emp	Lindsay
28 Lyman-Richey Corp.	\$3M + 30 emp	Omaha, Grand Island, McCook, Central & Western Nebraska
29 May Telemarketing Inc.	\$4.9M + 350 emp	Omaha and other locations
30 Mid-America Computer Corp.	\$11M + 133 emp	Blair
31 Midlands Packaging Corp.	\$3M + 30 emp	Lincoln
32 Millard Refrigeration Services	\$14.7M + 210 emp	Douglas and Sarpy Counties
33 Molex Inc.	\$4.6M + 43 emp	Lincoln
34 Nebraska Cellular Telephone	\$10M + 31 emp	Grand Island, Hastings, Kearney, York, North Platte, Lexington, Brady, Paxton, Ogallala, Seward, Norfolk, Columbus, Fremont, Sidney, Scottbluff, Beatrice, Ashland, O'Neill, Ord, and other locations
35 Nebraska Book Company	\$3M + 30 emp	Lincoln
36 Norfolk Iron & Metal Co.	\$3.7M + 35 emp	Norfolk and Scottsbluff
37 Precision Bearing Co.	\$10M + 110 emp	Omaha, Lincoln, Grand Island, Lexington, Norfolk, Columbus, and other locations
38 Rotella's Italian Bakery Inc.	\$5.5M + 30 emp	Greater Omaha Metropolitan Area
39 T-L Irrigation Co.	\$3M + 30 emp	Hastings
40 Telenational Communications	\$3.3M + 223 emp	Omaha and other locations
41 William H. Harvey Company	\$3M + 35 emp	Greater Omaha Metropolitan Area
42 Wilson Concrete Co.	\$3M + 30 emp	La Platte
43 Wright Printing Company	\$4.4M + 60 emp	Omaha

## **Agreements Signed in 1991 That are Still in Effect**

<b>Company Name</b>	<b>Project Size</b>	<b>Project Location</b>
1 Bemis Company, Inc.	\$5.6M + 49 emp	Omaha
2 Chief Industries Inc.	\$10M + 100 emp	Hastings
3 Drake Williams Steel Inc.	\$3.7M + 30 emp	Omaha
4 Firstier Financial Services	\$7.5M + 30 emp	Lincoln, Omaha, Scottsbluff, and Norfolk
5 Linweld Inc.	\$3M + 30 emp	Lincoln, Hastings, Holdrege, Columbus, Omaha, Kearney, Waverly, Norfolk, Grand Island, Scottsbluff
6 Mallory USA Inc.	\$3M + 30 emp	South Sioux City
7 Minnesota Corn Processors	\$80M + 125 emp	Columbus
8 Monroe Auto Equipment	\$3M + 30 emp	Cozad
9 Shade Pasta Inc.	\$12M + 100 emp	Fremont
10 Union Pacific Railroad	\$3M + 30 emp	Various Locations
11 Western Sugar Company	\$35.7M + 30 emp	Scottsbluff

## Agreements Signed in 1992 That are Still in Effect

Company Name	Project Size	Project Location
1 Bio Nebraska Inc	\$10M + 100 emp	Lincoln
2 California Energy Co. Inc.	\$3M + 30 emp	Omaha
3 Campbell Soup Company	\$10M + 100 emp	Omaha
4 Centurion International Inc.	\$3M + 30 emp	Lincoln
5 Design Plastics Inc.	\$3.15M + 30 emp	Omaha
6 Paraclipse Inc.	\$3M + 30 emp	Columbus
7 PrestoLite Wire Corporation	\$10M + 100 emp	Sidney
8 Store Kraft Manufacturing Co.	\$3.25M + 42 emp	Beatrice
9 Tekton Inc. & Subsidiaries	\$3M + 30 emp	Pender, Wayne and Omaha

## Agreements Signed in 1993 That are Still in Effect

Company Name	Project Size	Project Location
1 Ag Processing Inc.	\$5M + 95 emp	Omaha
2 American Shizuki Corp.	\$3.8M + 55 emp	Ogallala
3 Cargill Inc.	\$150M + 100 emp	Washington County
4 ConAgra Inc.	\$10.2M + 100 emp	Omaha
5 Flexcon Company, Inc.	\$22M + 200 emp	Columbus
6 Henningsen Foods Inc.	\$4.5m + 30 emp	David City and other locations
7 Lincoln Plating Company	\$3.2M + 32 emp	Lincoln
8 FOFTI L.C.	\$10M + 100 emp	Greater Omaha
9 Tenaska Inc.	\$3.1M + 40 emp	Omaha
10 Transcript International, Ltd.	\$10M + 100 emp	Lincoln
11 Travel & Transport Inc.	\$3.9M + 170 emp	Omaha and other locations

## Agreements Signed in 1994 That are Still in Effect

Company Name	Project Size	Project Location
1 Auburn Consolidated Industries	\$3M + 35 emp	Auburn
2 Beef Products Inc.	\$15-30M + 100 emp	Dakota City and future locations
3 Excel Corporation	\$13M + 150 emp	Nebraska City
4 First Data Corporation	\$10M + 100 emp	Omaha
5 First National of Nebraska	\$10M + 100 emp	Omaha
6 Fleming Companies Inc.	\$3.4M + 35 emp	Lincoln
7 Greif Bros. Corporation	\$5M + 30 emp	Omaha
8 Information Technology Inc.	\$3M + 30 emp	Lincoln
9 Lanter Company	\$4M + 34 emp	Omaha
10 Lincoln Steel Company	\$3M + 35 emp	Lincoln
11 Mutual of Omaha	\$20M	Omaha
12 Nebraska Beef Ltd.	\$10M + 100 emp	Omaha
13 Nebraska Furniture Mart	\$3M + 30 emp	Omaha
14 Nucor Corporation	\$20M	Norfolk
15 Sherwood Medical Company	\$3M + 30 emp	Norfolk



## Agreements Signed in 1995 That are Still in Effect

Company Name	Project Size	Project Location
1 ACCUMA Corporation	\$10M + 45 emp	Gage County
2 AGP Corn Processing	\$40M + 100 emp	Central Nebraska
3 American Business Information	\$10M + 190 emp	Omaha
4 American Laboratories, Inc.	\$3M + 30 emp	Omaha
5 American Tool Co. Inc.	\$10M + 100 emp	DeWitt and Lincoln areas
6 Behlen Mfg. Co.	\$6M + 165 emp	Columbus and Omaha
7 Blue Cross & Blue Shield	\$10M + 100 emp	Omaha, Lincoln and other locations
8 Cabela's Inc.	\$10M + 100 emp	Sidney and Kearney
9 ConAgra Inc.	\$10M + 100 emp	Omaha
10 Food Services of America	\$3M + 30 emp	Omaha
11 Hudson Foods Inc.	\$16M + 100 emp	Columbus
12 Lincoln Poultry and Egg Company	\$3M + 30 emp	Lincoln
13 MCI Telecommunications Corp.	\$245M + 100 emp	Omaha
14 MFS Communications Company, Inc.	\$10M + 100 emp	Omaha
15 Metromail Corporation	\$10M + 100 emp	Lancaster and Seward Counties
16 Nebraska Energy LLC	\$35M + 30 emp	Aurora
17 Oilgear Company	\$3M + 30 emp	Fremont
18 Prairie Systems	\$10M + 100 emp	Omaha
19 Scoular Company & Subsidiaries	\$10.5M + 100 emp	Omaha and other locations
20 Werner Enterprises	\$10M + 100 emp	Douglas and Sarpy Counties
21 Workpoint Systems Inc.	\$3.5M + 40 emp	Omaha

## Agreements Signed in 1996 That are Still in Effect

Company Name	Project Size	Project Location
1 Acceptance Insurance	\$10M + 100 emp	Omaha
2 American Freezer	\$10M + 100 emp	Norfolk and Omaha
3 Archer Daniels Midland Company	\$20M	Lincoln
4 Automatic Equipment Manufacturing	\$3M + 30 emp	Pender
5 Burlington Northern	\$3M + 30 emp	Statewide
6 C.J. Foods	\$3M + 30 emp	Pawnee City
7 Cable Services Group, Inc.	\$14M + 105 emp	Omaha
8 Computer Cable Connection	\$3.55M + 60 emp	Bellevue
9 Consolidated Business Systems, Inc.	\$3.5M + 40 emp	Omaha
10 DAYCO Products, Inc.	\$13.6M + 71 emp	Alliance and McCook
11 Farmers & Merchants Investments Inc.	\$4.85M + 72 emp	Statewide
12 Gallup Organization	\$9M + 155 emp	Lincoln
13 Garner Industries	\$3M + 30 emp	Lincoln
14 Goodyear Tire & Rubber Company	\$20M	Lincoln
15 Greater Omaha Packing Co.	\$10M + 100 emp	Omaha
16 GreenStone Industries-Norfolk Parco	\$3M + 30 emp	Norfolk
17 IBP Inc.	\$10M + 100 emp	Madison
18 Iams Company	\$20.5M + 30 emp	Aurora
19 Inacom Corp.	\$10M + 100 emp	Greater Omaha Metropolitan Area
20 Lincoln Telecommunications	\$20M	Eastern Nebraska
21 Lincoln Telecommunications	\$3M + 30 emp	Eastern Nebraska
22 Morris Press & Office Supplies, Inc.	\$3M + 30 emp	Lexington and Kearney
23 Omaha Steaks International	\$10M + 100 emp	Metropolitan Omaha Area

<b>Company Name</b>	<b>Project Size</b>	<b>Project Location</b>
24 Oriental Trading Co. Inc.	\$16M + 600 emp	Omaha
25 Parker Hannifin Corp.	\$5M + 40 emp	Lincoln
26 Pennington Seed, Inc. of Nebraska	\$10M + 100 emp	Sidney
27 Peter Kiewit Sons Inc.	\$10M + 100 emp	Omaha
28 Phillips Manufacturing Company	\$3.5M + 30 emp	Omaha Area
29 Physicians Mutual Insurance	\$14M + 150 emp	Omaha
30 Pioneer Hi-Bred Int. Inc.	\$3M + 30 emp	York
31 Regal Printing Company	\$4.1M + 51 emp	Omaha
32 Senior Technologies Inc.	\$3M + 30 emp	Lincoln
33 Square D Company	\$20M	Lincoln
34 Tender Heart Treasures Ltd.	\$10M + 100 emp	Omaha
35 Union Pacific Railroad Co.	\$3M + 30 emp	Statewide
36 Union Pacific Railroad Co.	\$3M + 30 emp	Greater Omaha Area
37 Vickers Incorporated	\$20M	Omaha
38 West Telemarketing Corp.	\$10M + 100 emp	Omaha

### **Agreements Signed in 1997 That are Still in Effect**

<b>Company Name</b>	<b>Project Size</b>	<b>Project Location</b>
1 ACI Telecentrics, Inc.	\$3M + 30 emp	Chadron, Ogallala and other locations
2 Affiliated Food Stores	\$8.4M + 100 emp	Norfolk
3 Airlite Plastics Company	\$10M + 30 emp	Greater Omaha Metropolitan Area
4 Arnie's Bagelicious Bagels	\$3M + 30 emp	Nebraska City
5 Call Interactive	\$10M + 100 emp	Greater Omaha Metropolitan Area
6 Central States of Omaha Companies	\$10M + 140 emp	Omaha
7 Cincinnati Bell	\$10.5M + 110 emp	Omaha
8 Commercial Federal Bank	\$10M + 100 emp	Omaha, Lincoln Metro areas and other locations
9 Cox Communications Omaha, Inc.	\$3M + 30 emp	Omaha
10 Distefano Tool & Die Company, Inc.	\$3.2M + 35 emp	Omaha
11 Duncan Aviation	\$3M + 30 emp	Lincoln
12 Eaton Corporation	\$20M	Kearney
13 First Commerce Bancshares	\$12M + 115 emp	Lincoln, Grand Island, Columbus, Kearney, North Platte, and other locations
14 Frito Lay Inc.	\$25M + 30 emp	Central Nebraska
15 Geo A Hormel & Co.	\$20M + 100 emp	Fremont
16 High Plains Corporation	\$55.1M + 105 emp	York County
17 Hydraulic Components Inc.	\$3M + 30 emp	Hartington
18 IBP, Inc.	\$10M + 100 emp	Dakota City West Point
19 IBP, Inc.	\$10M + 100 emp	Gibbon
20 Information Communication Enter. Inc.	\$10M + 100 emp	Waverly
21 International Spices, LTD	\$3M + 30 emp	Elkhorn
22 J&B Wholesale Distributing Inc.	\$5M + 45 emp	Greater Omaha Metropolitan Area
23 Kellogg Company	\$84M + 30 emp	Omaha
24 Lozier Corporation	\$17M + 110 emp	Omaha
25 Marshall Engines Inc.	\$3.1M + 300 emp	Kearney
26 Midwest Web Inc.	\$4.7M + 30 emp	Lincoln
27 Minnesota Mining & Mfg.	\$3M + 30 emp	Valley
28 Nedelco Inc. & Subsidiaries	4.85M + 147 emp	Aurora
29 Omaha Cellular Telephone Company	\$20M	Omaha
30 Orion Systems, LTD	\$10M + 135 emp	Omaha

<b>Company Name</b>	<b>Project Size</b>	<b>Project Location</b>
31 Peed Corporation	\$5.5M + 50 emp	Lincoln and other locations
32 Premier Industries Inc.	\$3M + 30 emp	Mead
33 Quality Pork International, Inc.	\$10M + 100 emp	Omaha
34 Reliance Electric	\$3M + 30 emp	Columbus
35 Sandoz Pharmaceutical Corp.	\$10M + 100 emp	Lincoln
36 Security Mutual Life Insurance Co.	\$4.5M + 30 emp	Lincoln
37 Sprint Spectrum L.P.	\$35M + 150 emp	Statewide Service Area
38 SpyroTech Corporation	\$5M + 60 emp	Lincoln
39 Streck Laboratories	\$10M + 100 emp	Omaha
40 U.S. West Inc.	\$20M	Statewide Service Area
41 U.S. West Inc.	\$3M + 30 emp	Omaha Area
42 Valmont Industries Inc.	\$10M + 100 emp	Valley, McCook, West Point, Omaha
43 Walker Manufacturing Co.	\$3M + 30 emp	Seward

### **Agreements Signed in 1998 That are Still in Effect**

<b>Company Name</b>	<b>Project Size</b>	<b>Project Location</b>
1 Ag-Bag International Limited	\$3M + 30 emp	Blair
2 Arnold Engineering Company	\$3.9M + 35 emp	Norfolk
3 Baldwin Filters, Inc.	\$10M + 100 emp	Kearney and Gothenburg
4 Ballantyne of Omaha, Inc. & Subs.	\$3M + 30 emp	Omaha
5 Becton Dickinson	\$22M + 82 emp	Holdrege, Columbus, Broken Box
6 Caterpillar Claas America LLC	\$60 M + 502 emp	Omaha
7 Central States Health & Life	\$3M + 30 emp	Greater Omaha Metropolitan Area
8 Empire Fire & Marine Insurance Co	\$10M + 100 emp	Omaha and other locations
9 HDR, Inc.	\$15.3M + 110 emp	Omaha
10 Isco, Inc.	\$10M + 110 emp	Lincoln
11 Kroy Building Products, Inc.	\$3M + 30 emp	York
12 LI-COR, Inc.	\$3M + 30 emp	Lincoln
13 Pegler-Sysco	\$12M + 203 emp	Omaha, Lincoln, Grand Island and other locations
14 Peoples Natural Gas	\$3M + 30 emp	Omaha
15 Platte Valley Financial Services	\$3.7M + 50 emp	Scottsbluff
16 Porter Chadburn, Inc.	\$10.5M + 110 emp	Omaha
17 Premoule America Inc.	\$10M + 100 emp	Omaha
18 Reinke Manufacturing Company, Inc.	\$10.7M + 30 emp	Deshler
19 Rosen's Diversified, Inc.	\$10.5M + 105 emp	Omaha
20 Sitel Corporation	\$10M + 150 emp	Omaha
21 Tri-V Tool & Die Company	\$5.1M + 90 emp	Omaha area
22 William H. Harvey Co.	\$3M + 30 emp	Omaha

## Agreements Signed in 1999

Company Name	Project Size	Project Location
1 American Meat Protein Corporation	\$3M + 30 emp	Fremont, Schuyler, Madison, and Grand Island
2 Ameritas Bankers Life Ins. Co.	\$10M + 100 emp	Lincoln
3 Champion Home Builders Co.	\$5M + 200 emp	York
4 Coleman Powermate, Inc.	\$10M + 200 emp	Kearney, Hastings and any future Nebraska Location
5 D&D Salads, Inc.	\$4.55M + 30 emp	Omaha
6 Data Transmission Network	\$3M + 30 emp	Douglas County
7 Eaton Corporation	\$17.5M + 68 emp	Hastings
8 Financial Dynamics, Inc.	\$7M + 100 emp	Omaha
9 First Federal Lincoln Bank	\$4.77M + 39 emp	Statewide
10 Harris Laboratories, Inc.	\$15.12M + 140 emp	Lincoln, Omaha
11 Lucent Technologies	\$191M + 110 emp	Omaha
12 Lyman-Richey Corporation	\$3M + 30 emp	Omaha and other Nebraska locations
13 Midland Systems, Inc.	\$3M + 30 emp	Omaha
14 Millard Manufacturing, Corp.	\$3M + 30 emp	Omaha
15 Nebraska Aluminum Castings	\$3M + 30 emp	Hastings
16 Nonpareil - RDO, L.L.C.	\$15.8M + 100 emp	O'Neill
17 Omaha Printing Company	\$5M + 50 emp	Omaha
18 Omaha World-Herald	\$9M + 30 emp	Omaha
19 Popco Inc. d/b/a Ideal Pure Water	\$10M + 100 emp	Omaha
20 Producers America, Inc.	\$3M + 30 emp	Omaha and other locations
21 Rotella's Italian Bakery	\$3M + 30 emp	Omaha
22 Silverstone Group, Inc. & Subs	\$3M + 30 emp	Omaha
23 Strategic Marketing Innovations	\$10M + 175 emp	Omaha and other locations
24 West Interactive Corp.	\$22M + 144 emp	Omaha
25 Wilkinson Manufacturing Co.	\$10M + 100 emp	Fort Calhoun
26 Wis-Pak of Norfolk, Inc.	\$3M + 30 emp	Norfolk

## Summary of LB 775 Benefits Approved Through 12/31/2000

Table 2 summarizes the credits earned and used and the direct sales/use tax refunds approved for qualified companies through December 31, 2000. Also included are the sales and use tax refunds pending approval at year end. Detail by type of agreement is provided in Table 3.

Detail by industry group is provided in Tables 4 through 8 and 10 through 14. Table 9 breaks down sales tax refunds between city and state tax. Tables 15 through 27 regroup the companies by year of qualification.

### Summary of LB 775 Benefits Approved

**Table 2**

The Department of Revenue has conducted field reviews of companies which filed reports with the department indicating that they had met the minimum new jobs and investment levels to qualify for incentives. Table 1 shows the number of qualifying companies verified by field review. Based on these examinations, the department has approved:

	1988-1996*	1997	1998	1999	2000	Total
Investment Credits	\$583,987,191	\$148,254,617	\$100,958,948	\$ 90,537,676	\$178,292,926	\$1,102,031,358
New Jobs Credits	243,113,611	39,729,028	40,089,986	43,315,779	48,196,698	414,445,102
Total Credits Earned	<u>\$827,100,802</u>	<u>\$187,983,645</u>	<u>\$141,048,934</u>	<u>\$133,853,455</u>	<u>\$226,489,624</u>	<u>\$1,516,476,460</u>
Credits Used						
Income Tax**	\$215,823,636	\$48,725,683	\$44,257,680	\$43,027,666	\$ 59,763,186	\$411,597,851
Sales/Use Tax Refunds	152,041,246	40,400,815	56,039,915	41,310,334	54,053,889	343,846,199
Total Credits Used	<u>\$367,864,882</u>	<u>\$89,126,498</u>	<u>\$100,297,595</u>	<u>\$84,338,000</u>	<u>\$113,817,075</u>	<u>\$755,444,050</u>
Direct Sales/Use Tax Refunds on Investment	\$255,107,687	\$30,092,262	\$49,765,826	\$38,337,566	\$38,323,129	\$411,626,470
Recapture***						
Repaid From Credits	\$3,001,107 1,304,164	\$1,066,309 424,278	\$1,284,532 274,014	\$1,401,522 197,017	\$2,903,776 393,249	\$9,657,246 2,592,722
Qualified Investment	\$7,821,945,346	\$1,773,427,614	\$1,218,979,775	\$1,180,386,362	\$1,990,783,299	\$13,985,522,396
New Jobs of Qualifying Companies	47,058	5,754	5,885	6,287	3,839	68,823
Sales/Use Tax Refunds Pending Approval at Year End	N/A	42,399,495	29,305,069	43,566,048	44,592,560	N/A

\* For detail by year see previous Annual Reports

	1988-1996*	1997	1998	1999	2000	Total
** Corporate	\$172,074,012	\$41,854,411	\$35,704,704	\$34,337,098	\$51,252,635	\$335,222,860
Individual	43,749,624	6,871,272	8,552,976	8,690,568	8,510,551	76,374,991
<b>Total</b>	<b>\$215,823,636</b>	<b>\$48,725,683</b>	<b>\$44,257,680</b>	<b>\$43,027,666</b>	<b>\$59,763,186</b>	<b>\$411,597,851</b>

\*\*\* If a company fails to maintain either the minimum employment or investment required by its agreement, one seventh of the refunds and one-seventh of the credits used are recaptured and one-seventh of the credit carryover at the end of the entitlement period is recaptured for each year the company is below the required levels. Through December 31, 2000, twenty-six companies were in recapture. \$7,373,712 in repayment due has been netted from approved refund claims, and \$2,283,533, plus interest, has been repaid in cash. Credit carryover for companies that have reached the end of the entitlement period has been reduced by \$2,592,722.

## Description of Application Options

### **\$20M investment and no employees. Benefits include:**

- Election to use “sales only” factor to apportion state taxable income, and
- Direct refund of all sales and use tax paid on purchases of qualified property at the project.

**\$3M investment and 30 employees.** In addition to the benefits listed above, a \$3M + 30 applicant is eligible for:

- Five percent tax credit on the amount the total compensation paid to employees who are either Nebraska employees or base-year employees exceeds the compensation attributed to base-year employees, and
- Ten percent tax credit on total investment in qualified property.

**\$10M investment and 100 employees.** In addition to the benefits listed above, a \$10M + 100 applicant is eligible for property tax exemption on:

- Turbine-powered aircraft or jets,
- Mainframe business computers and peripheral components used at the project, and
- Equipment used directly in processing agricultural products.

Please note that a company applying under the \$10M + 100 employee option has a two-part agreement, one at the \$3M + 30 employee level and one at the \$10M + 100 employee level. The companies listed as having applied under the \$10M + 100 employee level may only have qualified under the \$3M + 30 employee portion of their agreement. The only additional benefits available under the \$10M + 100 employee portion of an agreement are the property tax benefits.

Table 3 shows the total benefits approved for each type of agreement, as described above, through 2000.

Table 4 shows the types of companies that are included in each industry group. The industry groups are based on Standard Industrial Classification (SIC) codes. All industry groups include a minimum of three (3) companies. The options under which companies in each industrial group have qualified are shown in the last column.

**Table 3 Analysis of Benefits Approved by Type of Agreement  
(Cumulative Through 2000)**

	<b>\$20 Million 0 Employees</b>	<b>\$3 Million 30 Employees</b>	<b>\$10 Million 100 Employees</b>	<b>Total</b>
Number of Companies	17	155	124	296
Investment Credits	N/A	\$439,793,978	\$662,237,380	\$1,102,031,358
New Jobs Credits	N/A	159,409,995	255,035,107	414,445,102
Total Credits Earned	N/A	<u>\$599,203,973</u>	<u>\$917,272,487</u>	<u>\$1,516,476,460</u>
Credits Used				
Income Tax	N/A	\$153,618,991	\$257,978,860	\$411,597,851
Sales/Use Tax Refunds	N/A	109,854,826	233,991,373	343,846,199
Total Credits Used	N/A	<u>\$263,473,817</u>	<u>\$491,970,233</u>	<u>\$755,444,050</u>
Direct Sales/Use Tax Refunds on Investment	\$89,653,465	\$112,963,663	\$209,009,342	\$411,626,470
Qualified Investment	\$2,837,015,895	\$4,502,657,729	\$6,645,848,772	\$13,985,522,396
New Jobs of Qualifying Companies	N/A	26,896	41,927	68,823
<b>Sales/Use Tax Refunds Pending Approval at Year End (12-31-00)</b>	<b>\$4,207,421</b>	<b>\$12,243,335</b>	<b>\$28,141,804</b>	<b>\$44,592,560</b>

# LB 775 Companies Whose Qualifications Have Been Approved As Of 12/31/2000

Table 4

## Classification Into Industry Group by Standard Industrial Classification (SIC) and Option Under Which Applied

Division	SIC, Major Industry Group Titles	Option Under Which Applied
<b>Construction &amp; Manufacturing</b>	15, 16, 25, 26, 27 Construction, Furniture, Fixtures, Printing and Publishing	3M + 30 emp 10M + 100 emp
	201 Meat Products	3M + 30 emp 10M + 100 emp
	202-209 Other Food Products	3M + 30 emp 10M + 100 emp 20M
	28, 30, 32 Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	3M + 30 emp 10M + 100 emp
	33 Primary Metal Products	3M + 30 emp 10M + 100 emp 20M
	34, 37 Fabricated Metal Products, Transportation Equipment	3M + 30 emp 10M + 100 emp
	35 Industrial and Commercial Machinery	3M + 30 emp 10M + 100 emp 20M
	36 Electronic and Other Electric Equipment	3M + 30 emp 10M + 100 emp 20M
	38, 39 Instruments and Related Products, Miscellaneous Manufacturing	3M + 30 emp 10M + 100 emp
<b>Transportation &amp; Public Utilities</b>	40, 49 Railroads, Electric and Gas, and Sanitary Services	3M + 30 emp 10M + 100 emp 20M
	42 Trucking and Warehousing	3M + 30 emp 10M + 100 emp
	48 Communications	3M + 30 emp 10M + 100 emp 20M
<b>Wholesale &amp; Retail Trade</b>	50, 51 Durable Goods and Non-durable Goods	3M + 30 emp 10M + 100 emp
<b>Finance, Insurance &amp; Real Estate</b>	60, 61 Depository Institutions and Non-Depository Credit Institutions	3M + 30 emp 10M + 100 emp
	62, 63, 64 Security and Commodity Brokers, Insurance Carriers, and Insurance Agents, Brokers, and Service	3M + 30 emp 10M + 100 emp 20M
<b>Services</b>	73, 76, 87, 89 Business Services, Miscellaneous Repair Services, Engineering and Management Services, and Miscellaneous Services	3M + 30 emp 10M + 100 emp



# LB 775 INDUSTRY GROUP DETAIL

## Analysis of Credits

Tables 5 and 6 show an analysis of credits earned and used in 2000 and cumulative through 2000 by industry group. Total credits earned consist of both investment and employment credits. Both types of credits go into a credit pool and can be used to offset corporate or individual income tax liability and to receive a refund of otherwise non-refundable sales or use tax paid on purchases at the project.

Credits distributed to either corporate or individual shareholders or partners totaled \$65,543,263 in 1988-1996, \$8,585,518 in 1997, \$10,944,731 in 1998, \$14,847,628 in 1999 and \$12,126,354 in 2000. Distributed credits may only be used to offset corporate or individual income tax liabilities.

**Table 5**                      **Analysis of Credits by Industry Group**  
**(2000)**

Industry Group	Total Credits Earned	CREDITS USED		Credits Recaptured	Credit Balance
		Income Tax	Sales Tax		
Construction, Furniture, Fixtures, Printing and Publishing	\$ 10,999,105	\$ 2,984,409	\$ 4,195,254	\$163,422	\$ 3,656,020
Meat Products	11,019,700	3,880,383	5,527,667		1,611,650
Other Food Products	12,052,176	3,290,749	4,774,444		3,986,983
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	20,579,343	1,004,660	4,311,548		15,263,135
Primary Metal Products	7,982,313	890,071	749,010		6,343,232
Fabricated Metal Products	1,982,586	473,870	1,926,579		(417,863)
Industrial and Commercial Machinery, Transportation Equipment	2,360,911	1,087,109	2,389,639		(1,115,837)
Electronic and Other Electric Equipment	4,064,189	735,926	1,598,902		1,729,361
Instruments and Related Products, Miscellaneous Manufacturing	1,394,132	371,906	1,692,403		(670,177)
Railroads, Electric and Gas Services, and Sanitary Services	59,126,142	5,555,072	6,228,258		47,342,812
Trucking and Warehousing	7,009,726	2,017,991	683,980		4,307,755
Communications	14,381,856	6,772,985	98,702		7,510,169
Durable Goods and Non-durable Goods	7,919,172	1,587,745	1,534,683		4,796,744
Depository Institutions and Non-depository Credit Institutions	13,921,921	0	2,065,723	229,827	11,626,371
Insurance Carriers, Security, and Commodity Brokers	10,991,318	1,602,816	5,432,273		3,956,229
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	40,705,034	27,507,494	10,844,824		2,352,716
<b>Total</b>	<b>\$226,489,624</b>	<b>\$59,763,186</b>	<b>\$54,053,889</b>	<b>\$393,249</b>	<b>\$112,279,300</b>

# LB 775 INDUSTRY GROUP DETAIL

**Table 6                      Analysis of Credits by Industry Group  
(Cumulative Through 2000)**

Industry Group	Total Credits Earned	CREDITS USED		Credits Recaptured	Credit Balance
		Income Tax	Sales Tax		
Construction, Furniture, Fixtures, Printing and Publishing	\$ 74,830,511	\$ 28,674,483	\$ 21,309,116	\$ 163,422	\$ 24,683,490
Meat Products	121,574,605	29,816,961	35,323,063	564,176	55,870,405
Other Food Products	119,393,078	27,704,983	26,444,564	197,017	65,046,514
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	168,219,080	23,567,573	27,168,443		117,483,064
Primary Metal Products	39,361,214	14,497,481	11,260,225		13,603,508
Fabricated Metal Products	39,589,405	13,325,174	12,880,773	590,373	12,793,085
Industrial and Commercial Machinery, Transportation Equipment	35,293,381	7,438,620	17,941,709	267,464	9,645,588
Electronic and Other Electric Equipment	44,055,236	6,230,883	14,198,422		23,625,931
Instruments and Related Products, Miscellaneous Manufacturing	39,413,173	8,763,866	15,938,240		14,711,067
Railroads, Electric and Gas Services, and Sanitary Services	207,087,747	45,057,764	27,281,796		134,748,187
Trucking and Warehousing	36,049,502	14,597,392	3,693,205		17,758,905
Communications	111,933,548	53,017,601	1,562,617		57,353,330
Durable Goods and Non-durable Goods	66,808,021	22,715,771	10,364,770	258,954	33,468,526
Depository Institutions and Non-depository Credit Institutions	74,853,605	4,251,533	28,025,525	229,827	42,346,720
Insurance Carriers, Security, and Commodity Brokers	62,266,934	11,122,682	19,033,593	314,939	31,795,720
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	275,747,420	100,815,084	71,420,138	6,550	103,505,648
<b>Total</b>	<b>\$1,516,476,460</b>	<b>\$411,597,851</b>	<b>\$343,846,199</b>	<b>\$2,592,722</b>	<b>\$758,439,688</b>

# LB 775 INDUSTRY GROUP DETAIL

## Sales and Use Tax Refunds

There are two types of sales and use tax refunds available under LB775, direct refunds and refunds using credits.

The direct refund is available on qualified property (see Table 10 narrative for the definition of qualified property) and on aircraft. The total direct refunds through December 31, 2000 were \$411,626,470. Refunds were \$402,929,885 on qualified property and \$8,696,585 on aircraft.

Credits earned on investment and employment increases may be used to obtain a refund of otherwise nonrefundable sales and use tax paid on purchases at the project.

Tables 7 and 8 show a summary of sales and use tax refunds by industry group in 2000 and cumulative through 2000. The last column of Table 7 shows the sales and use tax refunds pending approval on December 31, 2000.

Table 9 shows a breakdown of the total sales and use tax refunds between city and state tax.

**Table 7 Analysis of Sales/Use Tax Refunds by Industry Group (2000)**

Industry Group	APPROVED REFUNDS			Refunds Pending as of 12/31/2000
	Direct Refunds	Refunds Using Credits	Total	
Construction, Furniture, Fixtures, Printing and Publishing	\$ 668,982	\$ 4,195,254	\$ 4,864,236	\$ 868,374
Meat Products	1,438,003	5,527,667	6,965,670	1,186,835
Other Food Products	3,642,709	4,774,444	8,417,153	3,650,476
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	4,467,206	4,311,548	8,778,754	6,027,627
Primary Metal Products	629,787	749,010	1,378,797	1,141,506
Fabricated Metal Products	674,785	1,926,579	2,601,364	1,424,436
Industrial and Commercial Machinery, Transportation Equipment	359,224	2,389,639	2,748,863	1,569,516
Electronic and Other Electric Equipment	821,998	1,598,902	2,420,900	985,382
Instruments and Related Products, Miscellaneous Manufacturing	32,049	1,692,403	1,724,452	551,948
Railroads, Electric and Gas Services, and Sanitary Services	6,112,870	6,228,258	12,341,128	183,312
Trucking and Warehousing	1,271,212	683,980	1,955,192	617,451
Communications	5,962,868	98,702	6,061,570	6,622,077
Durable Goods and Non-durable Goods	905,587	1,534,683	2,440,270	5,390,032
Depository Institutions and Non-depository Credit Institutions	2,038,226	2,065,723	4,103,949	1,741,393
Insurance Carriers, Security, and Commodity Brokers	3,924,683	5,432,273	9,356,956	2,510,210
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	5,372,940	10,844,824	16,217,764	10,121,985
<b>Total</b>	<b>\$38,323,129</b>	<b>\$54,053,889</b>	<b>\$92,377,018</b>	<b>\$44,592,560</b>

Table 8

## LB 775 INDUSTRY GROUP DETAIL

### Analysis of Sales/Use Tax Refunds by Industry Group (Cumulative through 2000)

Industry Group	APPROVED REFUNDS		
	Direct Refunds	Refunds Using Credits	Total Refunds
Construction, Furniture, Fixtures, Printing and Publishing	\$ 16,456,794	\$ 21,309,116	\$ 37,765,910
Meat Products	16,581,807	35,323,063	51,904,870
Other Food Products	37,152,881	26,444,564	63,597,445
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	40,221,746	27,168,443	67,390,189
Primary Metal Products	15,616,957	11,260,225	26,877,182
Fabricated Metal Products	8,159,673	12,880,773	21,040,446
Industrial and Commercial Machinery, Transportation Equipment	6,449,072	17,941,709	24,390,781
Electronic and Other Electric Equipment	14,959,614	14,198,422	29,158,036
Instruments and Related Products, Miscellaneous Manufacturing	9,376,523	15,938,240	25,314,763
Railroads, Electric and Gas Services, and Sanitary Services	49,149,070	27,281,796	76,430,866
Trucking and Warehousing	6,032,589	3,693,205	9,725,794
Communications	68,645,934	1,562,617	70,208,551
Durable Goods and Non-durable Goods	12,554,061	10,364,770	22,918,831
Depository Institutions and Non-depository Credit Institutions	17,039,639	28,025,525	45,065,164
Insurance Carriers, Security, and Commodity Brokers	28,518,761	19,033,593	47,552,354
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	64,711,349	71,420,138	136,131,487
<b>Total</b>	<b>\$411,626,470</b>	<b>\$343,846,199</b>	<b>\$755,472,669</b>

Table 9

### Analysis of Sales/Use Tax Refunds

	APPROVED REFUNDS NET OF RECAPTURE						Refunds Pending as of 12/31/2000
	1988-1996*	1997	1998	1999	2000	Total	
Number of Claims	3,881	634	880	668	987	7,050	221
State Tax	\$340,919,451	\$58,687,406	\$88,541,648	\$65,864,573	\$74,872,536	\$628,885,615	\$37,771,205
City Tax	64,123,044	10,938,701	16,439,735	12,650,283	15,061,578	119,213,341	6,821,355
<b>Total</b>	<b>\$405,042,495</b>	<b>\$69,626,107</b>	<b>\$104,981,383</b>	<b>\$78,514,856</b>	<b>\$89,934,114</b>	<b>\$748,098,955</b>	<b>\$44,592,560</b>

\*For detail by year see previous Annual Reports.

# LB 775 INDUSTRY GROUP DETAIL

## Sales and Use Tax Refunds

There are two types of sales and use tax refunds available under LB775, direct refunds and refunds using credits.

The direct refund is available on qualified property (see Table 10 narrative for the definition of qualified property) and on aircraft. The total direct refunds through December 31, 2000 were \$411,626,470. Refunds were \$402,929,885 on qualified property and \$8,696,585 on aircraft.

Credits earned on investment and employment increases may be used to obtain a refund of otherwise nonrefundable sales and use tax paid on purchases at the project.

Tables 7 and 8 show a summary of sales and use tax refunds by industry group in 2000 and cumulative through 2000. The last column of Table 7 shows the sales and use tax refunds pending approval on December 31, 2000.

Table 9 shows a breakdown of the total sales and use tax refunds between city and state tax.

**Table 7 Analysis of Sales/Use Tax Refunds by Industry Group (2000)**

Industry Group	APPROVED REFUNDS			Refunds Pending as of 12/31/2000
	Direct Refunds	Refunds Using Credits	Total	
Construction, Furniture, Fixtures, Printing and Publishing	\$ 668,982	\$ 4,195,254	\$ 4,864,236	\$ 868,374
Meat Products	1,438,003	5,527,667	6,965,670	1,186,835
Other Food Products	3,642,709	4,774,444	8,417,153	3,650,476
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	4,467,206	4,311,548	8,778,754	6,027,627
Primary Metal Products	629,787	749,010	1,378,797	1,141,506
Fabricated Metal Products	674,785	1,926,579	2,601,364	1,424,436
Industrial and Commercial Machinery, Transportation Equipment	359,224	2,389,639	2,748,863	1,569,516
Electronic and Other Electric Equipment	821,998	1,598,902	2,420,900	985,382
Instruments and Related Products, Miscellaneous Manufacturing	32,049	1,692,403	1,724,452	551,948
Railroads, Electric and Gas Services, and Sanitary Services	6,112,870	6,228,258	12,341,128	183,312
Trucking and Warehousing	1,271,212	683,980	1,955,192	617,451
Communications	5,962,868	98,702	6,061,570	6,622,077
Durable Goods and Non-durable Goods	905,587	1,534,683	2,440,270	5,390,032
Depository Institutions and Non-depository Credit Institutions	2,038,226	2,065,723	4,103,949	1,741,393
Insurance Carriers, Security, and Commodity Brokers	3,924,683	5,432,273	9,356,956	2,510,210
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	5,372,940	10,844,824	16,217,764	10,121,985
<b>Total</b>	<b>\$38,323,129</b>	<b>\$54,053,889</b>	<b>\$92,377,018</b>	<b>\$44,592,560</b>

Table 8

## LB 775 INDUSTRY GROUP DETAIL

### Analysis of Sales/Use Tax Refunds by Industry Group (Cumulative through 2000)

Industry Group	APPROVED REFUNDS		
	Direct Refunds	Refunds Using Credits	Total Refunds
Construction, Furniture, Fixtures, Printing and Publishing	\$ 16,456,794	\$ 21,309,116	\$ 37,765,910
Meat Products	16,581,807	35,323,063	51,904,870
Other Food Products	37,152,881	26,444,564	63,597,445
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	40,221,746	27,168,443	67,390,189
Primary Metal Products	15,616,957	11,260,225	26,877,182
Fabricated Metal Products	8,159,673	12,880,773	21,040,446
Industrial and Commercial Machinery, Transportation Equipment	6,449,072	17,941,709	24,390,781
Electronic and Other Electric Equipment	14,959,614	14,198,422	29,158,036
Instruments and Related Products, Miscellaneous Manufacturing	9,376,523	15,938,240	25,314,763
Railroads, Electric and Gas Services, and Sanitary Services	49,149,070	27,281,796	76,430,866
Trucking and Warehousing	6,032,589	3,693,205	9,725,794
Communications	68,645,934	1,562,617	70,208,551
Durable Goods and Non-durable Goods	12,554,061	10,364,770	22,918,831
Depository Institutions and Non-depository Credit Institutions	17,039,639	28,025,525	45,065,164
Insurance Carriers, Security, and Commodity Brokers	28,518,761	19,033,593	47,552,354
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	64,711,349	71,420,138	136,131,487
<b>Total</b>	<b>\$411,626,470</b>	<b>\$343,846,199</b>	<b>\$755,472,669</b>

Table 9

### Analysis of Sales/Use Tax Refunds

	APPROVED REFUNDS NET OF RECAPTURE						Refunds Pending as of 12/31/2000
	1988-1996*	1997	1998	1999	2000	Total	
Number of Claims	3,881	634	880	668	987	7,050	221
State Tax	\$340,919,451	\$58,687,406	\$88,541,648	\$65,864,573	\$74,872,536	\$628,885,615	\$37,771,205
City Tax	64,123,044	10,938,701	16,439,735	12,650,283	15,061,578	119,213,341	6,821,355
<b>Total</b>	<b>\$405,042,495</b>	<b>\$69,626,107</b>	<b>\$104,981,383</b>	<b>\$78,514,856</b>	<b>\$89,934,114</b>	<b>\$748,098,955</b>	<b>\$44,592,560</b>

\*For detail by year see previous Annual Reports.

## LB 775 INDUSTRY GROUP DETAIL

Table 10 details the investment in qualified property by industry group. Qualified property is any tangible property of a type subject to depreciation, amortization, or other recovery under the Internal Revenue Code of 1986, or the components of such property, that will be used at the project. Qualified property does not include (a) aircraft, barges, motor vehicles, railroad rolling stock, or watercraft or (b) property that is rented by the taxpayer qualifying under the Employment and Investment Growth Act to another person.

**Table 10** **Investment in Qualified Property  
by Industry Group**

Industry Group	1988-1996*	1997	1998	1999	2000	Total
Construction, Furniture, Fixtures, Printing and Publishing	\$ 270,851,107	\$ 46,331,110	\$ 27,966,590	\$ 69,669,570	\$ 85,833,260	\$ 500,651,637
Meat Products	526,199,478	91,262,852	59,111,210	20,184,770	69,813,480	766,571,790
Other Food Products	856,406,892	69,910,130	77,868,760	103,328,051	190,520,591	1,298,034,424
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	751,246,693	375,245,930	65,641,750	67,753,100	200,196,589	1,460,084,062
Primary Metal Products	150,049,621	17,966,780	236,364,293	31,533,606	78,345,650	514,259,950
Fabricated Metal Products	179,466,605	16,409,860	13,917,010	33,958,460	11,055,090	254,807,025
Industrial and Commercial Machinery, Transportation Equipment	158,176,663	13,829,640	36,511,719	15,013,909	12,081,950	235,613,881
Electronic and Other Electric Equipment	272,886,286	61,084,130	46,427,370	116,869,501	42,135,920	539,403,207
Instruments and Related Products, Miscellaneous Manufacturing	238,733,043	13,852,600	15,741,200	6,331,210	8,800,060	283,458,113
Railroads, Electric and Gas Services, and Sanitary Services	965,269,142	333,345,360	218,237,510	194,535,530	537,419,600	2,248,807,142
Trucking and Warehousing	75,614,133	10,225,470	16,446,160	27,936,040	44,119,800	174,341,603
Communications	1,604,767,962	410,029,789	38,913,169	116,268,697	162,627,033	2,332,606,650
Durable Goods and Non-durable Goods	185,045,947	41,543,210	59,370,700	65,703,580	48,041,450	399,704,887
Depository Institutions and Non-depository Credit Institutions	261,186,616	29,461,670	87,432,420	65,372,800	111,427,300	554,880,806
Insurance Carriers, Security, and Commodity Brokers	362,419,498	26,467,918	82,229,544	91,076,388	96,711,246	658,904,594
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	963,625,660	216,461,165	136,800,370	154,851,150	291,654,280	1,763,392,625
<b>Total</b>	<b>\$7,821,945,346</b>	<b>\$1,773,427,614</b>	<b>\$1,218,979,775</b>	<b>\$1,180,386,362</b>	<b>\$1,990,783,299</b>	<b>\$13,985,522,396</b>

\* For detail by year see previous Annual Reports.

## LB 775 INDUSTRY GROUP DETAIL

Table 10 details the investment in qualified property by industry group. Qualified property is any tangible property of a type subject to depreciation, amortization, or other recovery under the Internal Revenue Code of 1986, or the components of such property, that will be used at the project. Qualified property does not include (a) aircraft, barges, motor vehicles, railroad rolling stock, or watercraft or (b) property that is rented by the taxpayer qualifying under the Employment and Investment Growth Act to another person.

**Table 10** **Investment in Qualified Property  
by Industry Group**

Industry Group	1988-1996*	1997	1998	1999	2000	Total
Construction, Furniture, Fixtures, Printing and Publishing	\$ 270,851,107	\$ 46,331,110	\$ 27,966,590	\$ 69,669,570	\$ 85,833,260	\$ 500,651,637
Meat Products	526,199,478	91,262,852	59,111,210	20,184,770	69,813,480	766,571,790
Other Food Products	856,406,892	69,910,130	77,868,760	103,328,051	190,520,591	1,298,034,424
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	751,246,693	375,245,930	65,641,750	67,753,100	200,196,589	1,460,084,062
Primary Metal Products	150,049,621	17,966,780	236,364,293	31,533,606	78,345,650	514,259,950
Fabricated Metal Products	179,466,605	16,409,860	13,917,010	33,958,460	11,055,090	254,807,025
Industrial and Commercial Machinery, Transportation Equipment	158,176,663	13,829,640	36,511,719	15,013,909	12,081,950	235,613,881
Electronic and Other Electric Equipment	272,886,286	61,084,130	46,427,370	116,869,501	42,135,920	539,403,207
Instruments and Related Products, Miscellaneous Manufacturing	238,733,043	13,852,600	15,741,200	6,331,210	8,800,060	283,458,113
Railroads, Electric and Gas Services, and Sanitary Services	965,269,142	333,345,360	218,237,510	194,535,530	537,419,600	2,248,807,142
Trucking and Warehousing	75,614,133	10,225,470	16,446,160	27,936,040	44,119,800	174,341,603
Communications	1,604,767,962	410,029,789	38,913,169	116,268,697	162,627,033	2,332,606,650
Durable Goods and Non-durable Goods	185,045,947	41,543,210	59,370,700	65,703,580	48,041,450	399,704,887
Depository Institutions and Non-depository Credit Institutions	261,186,616	29,461,670	87,432,420	65,372,800	111,427,300	554,880,806
Insurance Carriers, Security, and Commodity Brokers	362,419,498	26,467,918	82,229,544	91,076,388	96,711,246	658,904,594
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	963,625,660	216,461,165	136,800,370	154,851,150	291,654,280	1,763,392,625
<b>Total</b>	<b>\$7,821,945,346</b>	<b>\$1,773,427,614</b>	<b>\$1,218,979,775</b>	<b>\$1,180,386,362</b>	<b>\$1,990,783,299</b>	<b>\$13,985,522,396</b>

\* For detail by year see previous Annual Reports.



## Overview of Employment by Industry Tables

Tables 11 through 14 provide information by industry group on employment for projects which have met the minimum required levels of employment and/or investment necessary to qualify for benefits. For each year of the entitlement period, the qualified \$3 million and 30 full-time equivalent employee projects report information on full-time equivalent employee growth, average salaries and total Nebraska employment. The \$20 million investment projects only report the total Nebraska employment because the full-time equivalent employee growth is not a requirement for qualification.

The full-time equivalent employee calculation is based on the number of hours paid at the project divided by 40 times the number of weeks in the year. An employee with 60 hours worked in each week of the year would be counted as 1.5 FTE employees. This same computation is done in the current year and the tax year prior to the year of application. The increase or decrease in FTE employees is calculated by subtracting the FTE employees at the project in the tax year prior to the year of application from the number of FTE employees in the reporting tax year.

The total number of people employed at the quarter prior to date of application and at the most recent reporting period includes all employees of the taxpayer statewide on a specific date without regard to the number of hours those people have worked. In this case, the person who works 60 hours each week of the year would be reported as 1 as long as they were employed at the specific reporting date. The total number of people employed as of the reporting date would also include any part-time, seasonal workers or non-project employees as long as they were employed in Nebraska by the taxpayer at the specific reporting date.

The numbers reported in Tables 11 and 12 are not comparable for the following reasons:

- The number of people employed for Table 12 is not measured the same as the number of full-time equivalent (FTE) employees shown in Table 11. The numbers shown in Table 12 are the number of people employed by the qualified LB 775 applicants statewide in Nebraska on a specific date, without regard to the number of hours those people worked.
- Table 11 does not include any information related to the \$20 million dollar projects while Table 12 does report change in total employment for these projects.
- Table 11 includes the full-time equivalent growth only for the project as defined while Table 12 includes total statewide employment for both project and nonproject locations of a taxpayer.
- Table 11's total column reports cumulative FTE growth for all qualified projects since the enactment of LB 775, including projects which are beyond the end of their entitlement period, while Table 12 only includes information for projects which are currently in their entitlement period.

## LB 775 INDUSTRY GROUP DETAIL

### Number of New Jobs Created

Table 11 shows the number of new full-time equivalent (FTE) employees at the projects as compared to the prior year. The amount shown in the columns for each individual year is the increase or decrease from the previous year and does not represent the total change from the base year.

The total column represents the full-time equivalent growth during the entitlement period for each project that has met the \$3 million investment and 30 full-time equivalent employees since the enactment of the Employment and Investment Growth Act, LB775.

A company is required to maintain a minimum 30 FTE employee increase and \$3 million of qualifying to avoid recapture. However, a company that previously showed a FTE employee increase of 80 could fall back to a 30 FTE employee increase without going into recapture. The decrease of 50 FTE would be included in the current year column and the net increase of 30 would remain in the total column.

This year Table 11 has five industry groups where the change in FTE reported in 2000 as compared to the previously reported year is a negative. There were companies in these industry groups which reported employment growth, however the overall industry total of all companies reporting was a negative number. The companies reporting a decline in employment would not be in recapture unless the full-time equivalent employment growth for the term of the project is below 30 FTE.

**Table 11** **Number of Jobs Created by Industry Group**  
**Full-Time Equivalent (FTE) Employees**

Industry Group	1988-96*	1997	1998	1999	2000	Total
Construction, Furniture, Fixtures, Printing and Publishing	2,252	23	283	527	(83)	3,002
Meat Products	8,273	1,331	910	505	584	11,603
Other Food Products	2,962	233	283	94	181	3,753
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	2,133	611	364	567	283	3,958
Primary Metal Products	1,157	237	175	26	4	1,599
Fabricated Metal Products	1,581	87	302	321	(16)	2,275
Industrial and Commercial Machinery, Transportation Equipment	1,662	104	341	91	15	2,213
Electronic and Other Electric Equipment	1,523	44	838	357	(299)	2,463
Instruments and Related Products, Miscellaneous Manufacturing	1,446	(181)	95	120	(84)	1,396
Railroads, Electric and Gas Services, and Sanitary Services	1,330	243	818	527	(31)	2,887
Trucking and Warehousing	2,002	342	231	350	408	3,333
Communications	355	353	11	(25)	348	1,042
Durable Goods and Non-durable Goods	2,681	471	321	586	314	4,373
Depository Institutions and Non-depository Credit Institutions	2,933	(72)	(84)	671	510	3,958
Insurance Carriers, Security, and Commodity Brokers	1,614	452	511	646	954	4,177
Business Services, Miscellaneous Repair Services, Engineering, Management Services, and Miscellaneous Services	13,154	1,476	486	924	751	16,791
<b>Total</b>	<b>47,058</b>	<b>5,754</b>	<b>5,885</b>	<b>6,287</b>	<b>3,839</b>	<b>68,823</b>

\*For detail by year see previous Annual Reports.

## LB 775 INDUSTRY GROUP DETAIL

### Total Number of People Employed in Nebraska by Qualified LB 775 Applicants

Table 12 shows a comparison of the total number of people employed in Nebraska by the qualified LB 775 applicants at the end of the quarter prior to the date of application with the total number of people employed in Nebraska on the most recent reporting date. No information is included for projects which are beyond the end of the seven-year entitlement period and are no longer earning new benefits. The total employment numbers for the projects which have selected and attained the \$20 million investment level are included in Table 12.

**Table 12** **Total Number of People Employed  
by Qualified LB 775 Applicants  
by Industry Group**

Industry Group	End of Quarter Prior to Date of Application	Most Recent Reporting Date	Increase (Decrease)
Construction, Furniture, Fixtures, Printing and Publishing	4,804	5,117	313
Meat Products	11,592	15,131	3,539
Other Food Products	5,694	7,369	1,675
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	5,008	7,555	2,547
Primary Metal Products	3,061	3,418	357
Fabricated Metal Products	2,629	3,290	661
Industrial and Commercial Machinery, Transportation Equipment	1,087	1,796	709
Electronic and Other Electric Equipment	1,726	3,060	1,334
Instruments and Related Products, Miscellaneous Manufacturing	869	1,033	164
Railroads, Electric and Gas Services, and Sanitary Services	9,864	12,253	2,389
Trucking and Warehousing	3,126	5,348	2,222
Communications	2,096	2,743	647
Durable Goods and Non-durable Goods	4,897	7,393	2,496
Depository Institutions and Non-depository Credit Institutions	4,601	6,626	2,025
Insurance Carriers, Security, and Commodity Brokers	11,082	13,214	2,132
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	13,952	20,188	6,236
<b>Total</b>	<b>86,088</b>	<b>115,534</b>	<b>29,446</b>

**Note:** Table 11 and Table 12 are not comparable. See page 21 for explanation.

# LB 775 INDUSTRY GROUP DETAIL

## Average Salary of New Employees

Tables 13-14 show the estimated average salary of new employees for 2000 and cumulative through 2000. The average salary for each industry group is the weighted average salary for that group.

The weighted average salary for a group is calculated by multiplying the number of new full-time equivalent (FTE) employees for a company by the estimated annual salary of new employees at that company. This product is then added to the product for the other companies in the group, and the total is divided by the total number of new FTE employees in the group. For example:

	(1)	(2)	(3)	(4)
Company	New FTE Employees	Average Salary	Product (1 x 2)	Weighted Average Salary (3 ÷ 1)
A	10	\$30,000	\$ 300,000	
B	100	10,000	1,000,000	
C	20	20,000	400,000	
Group Total	130		\$1,700,000	\$13,077

**Table 13      Average Salary of New Employees by Industry Group  
(2000)**

Industry Group	Total New FTE Employees	Estimated Average Salary of New Employees
Construction, Furniture, Fixtures, Printing and Publishing	(83)	\$ N/A
Meat Products	584	24,033
Other Food Products	181	28,058
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	283	27,753
Primary Metal Products	4	23,419
Fabricated Metal Products	(16)	N/A
Industrial and Commercial Machinery, Transportation Equipment	15	25,974
Electronic and Other Electric Equipment	(299)	N/A
Instruments and Related Products, Miscellaneous Manufacturing	(84)	N/A
Railroads, Electric and Gas Services, and Sanitary Services	(31)	N/A
Trucking and Warehousing	408	29,340
Communications	348	21,022
Durable Goods and Non-durable Goods	314	29,169
Depository Institutions and Non-depository Credit Institutions	510	30,911
Insurance Carriers, Security, and Commodity Brokers	954	34,755
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	751	37,598
<b>Total</b>	<b>3,839</b>	<b>\$30,573 *</b>

\* \$133,053,575 / 4,352 (Negative FTE Employees Excluded)

# LB 775 INDUSTRY GROUP DETAIL

**Table 14      Average Salary of New Employees by Industry Group  
(Cumulative through 2000)**

Industry Group	Total New FTE Employees	Estimated Average Salary of New Employees
Construction, Furniture, Fixtures, Printing and Publishing	3,002	\$25,545
Meat Products	11,603	19,881
Other Food Products	3,753	23,628
Chemicals and Allied Products, Rubber and Miscellaneous Products, Stone, Clay, Glass and Concrete Products	3,958	26,252
Primary Metal Products	1,599	29,868
Fabricated Metal Products	2,275	25,037
Industrial and Commercial Machinery, Transportation Equipment	2,213	28,819
Electronic and Other Electric Equipment	2,463	24,176
Instruments and Related Products, Miscellaneous Manufacturing	1,396	29,589
Railroads, Electric and Gas Services, and Sanitary Services	2,887	54,061
Trucking and Warehousing	3,333	25,605
Communications	1,042	29,003
Durable Goods and Non-durable Goods	4,373	27,487
Depository Institutions and Non-depository Credit Institutions	3,958	24,441
Insurance Carriers, Security, and Commodity Brokers	4,177	28,262
Business services, Misc. Repair Services, Engineering and Management Services, and Miscellaneous Services	16,791	23,085
<b>Total</b>	<b>68,823</b>	<b>\$25,624*</b>

\* \$1,763,538,355 / 68,823

## Summary of Benefits by Year Qualification Verified

Tables 15-27 separate the data for the 296 companies that have qualified for benefits by the end of 2000 into groups based on the year the department originally verified the company had qualified for benefits. In 2000, 141 companies had previously reached the end of their entitlement period and were no longer eligible to earn credits.

When a company qualifies for benefits under LB 775, the Department of Revenue will verify its eligibility for initial credits and sales and use tax refunds as soon as the company has the necessary documentation prepared. In following years, the taxpayer files its Form 775N with its Nebraska income tax return to claim additional credits.

In some instances, a fiscal year taxpayer that qualified in one year may not have filed its income tax return for the subsequent year until after the end of the next calendar year. For example, if a taxpayer qualified at the end of its June 30, 1995 tax year, the department might have verified its qualification in 1995. However, the company's tax return, including its Form 775N, for the tax year ended June 30, 1996, might not have been filed until April 15, 1997. While the data for 1996 would show no additional credits for the company, any credits used or direct refunds of sales and use tax approved or pending would be included in the 1996 data.

For this reason only 18 of the 25 companies verified as qualifying in 1999 filed a Form 775N claiming additional credits in 2000. This pattern occurred in the prior years also.

**Table 15** **Summary of Benefits by Year**  
**(Companies Verified as Qualifying in 1988)**

	1988-1996*	1997	1998	1999	2000	Total
Number of Companies Reporting	N/A	0	0	0	0**	
Investment Credits	\$41,874,310	\$ 8,006	\$(83,443)	\$0	\$0	<b>\$41,798,873</b>
New Jobs Credits	23,900,999	(962,921)	0	0	0	<b>22,938,078</b>
Total Credits Earned	\$65,775,309	\$(954,915)	\$(83,443)	\$0	\$0	<b>\$64,736,951</b>
Credits Used						
Income Tax	\$11,653,954	\$1,574,594	\$1,032,294	\$ 862,920	\$ 330,239	<b>\$15,454,001</b>
Sales/Use Tax Refunds	32,204,042	2,002,320	7,405,635	3,082,497	1,227,615	<b>45,922,109</b>
Total Credits Used	\$43,857,996	\$3,576,914	\$8,437,929	\$3,945,417	\$1,557,854	<b>\$61,376,110</b>
Direct Sales/Use Tax Refunds on Investment	\$45,232,127	0	\$(153,085)	0	\$(323,746)***	<b>\$44,755,296</b>
Pending Sales/Use Tax Refunds as of 12/31	N/A	\$3,613,608	\$1,101,353	\$1,937,634	\$55,316	<b>N/A</b>
Qualified Investment	\$1,462,422,739	\$80,060	\$(834,430)	0	0	<b>\$1,461,668,369</b>
New Jobs of Qualifying Companies	3,433	0	0	0	0	<b>3,433</b>

\* For detail by year see previous Annual Reports.

\*\* All projects approved in 1988 are past the end of their entitlement period. However, a taxpayer amendment and audit adjustments to previous credit allowed or benefits received may still be reflected in current year credits earned.

\*\*\* Correction of prior year data entry error.

Table 16

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1989)**

	1989-1996*	1997	1998	1999	2000	Total
Number of Companies Reporting	N/A	0	0	1	1**	
Investment Credits	\$187,791,629	\$(1,744,959)	\$(119,485)	\$ 2,254	\$982,666	<b>\$186,912,105</b>
New Jobs Credits	76,831,389	(298,619)	(130,843)	(177,719)	0	<b>76,224,208</b>
Total Credits Earned	\$264,623,018	\$(2,043,578)	\$(250,328)	\$(175,465)	\$982,666	<b>\$263,136,313</b>
Credits Used						
Income Tax	\$ 93,124,368	\$17,530,040	\$ 7,133,808	\$4,483,175	\$ 8,330,475	<b>\$130,601,866</b>
Sales/Use Tax Refunds	56,303,524	17,800,561	8,002,748	3,702,020	5,227,985	<b>91,036,838</b>
Total Credits Used	\$149,427,892	\$35,330,601	\$15,136,556	\$8,185,195	\$13,558,460	<b>\$221,638,704</b>
Direct Sales/Use Tax Refunds on Investment	\$74,039,213	\$545,482	\$(298,115)	\$14,880	\$0	<b>\$ 74,301,460</b>
Pending Sales/Use Tax Refunds as of 12/31	N/A	\$5,578,622	\$1,232,314	\$10,723,043	\$1,118,013	<b>N/A</b>
Qualified Investment	\$2,211,024,247	\$(17,449,590)	\$(1,194,850)	\$22,540	\$9,826,660	<b>\$2,202,229,007</b>
New Jobs of Qualifying Companies	11,258	0	0	0	0	<b>11,258</b>

\* For detail by year see previous Annual Reports.

\*\* All projects approved in 1989 are past the end of their entitlement period. However, a taxpayer amendment and audit adjustments to previous credits allowed or benefits received may still be reflected in current year credits earned.

Table 17

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1990)**

	1990-1996*	1997	1998	1999	2000	Total
Number of Companies Reporting	N/A	4	1	1	0**	
Investment Credits	\$ 89,042,374	\$2,024,408	\$(162,012)	\$451,099	\$(44,832)	<b>\$ 91,311,037</b>
New Jobs Credits	60,241,033	2,406,838	78,388	(255,681)	(39,598)	<b>62,430,980</b>
Total Credits Earned	\$149,283,407	\$4,431,246	\$(83,624)	\$195,418	\$(84,430)	<b>\$153,742,017</b>
Credits Used						
Income Tax	\$39,324,988	\$ 4,748,802	\$ 4,764,057	\$ 5,867,047	\$1,245,002	<b>\$ 55,949,896</b>
Sales/Use Tax Refunds	30,303,006	6,794,910	6,777,780	5,214,486	4,362,172	<b>53,452,354</b>
Total Credits Used	\$69,627,994	\$11,543,712	\$11,541,837	\$11,081,533	\$5,607,174	<b>\$109,402,250</b>
Direct Sales/Use Tax Refunds on Investment	\$33,141,127	\$1,085,151	\$1,817,596	\$87,959	\$101,882	<b>\$36,233,715</b>
Pending Sales/Use Tax Refunds as of 12/31	N/A	\$2,504,885	\$2,015,826	\$3,778,879	\$4,475,610	<b>N/A</b>
Qualified Investment	\$999,400,360	\$62,643,870	\$(1,620,120)	\$4,510,990	\$(448,320)	<b>\$1,064,486,780</b>
New Jobs of Qualifying Companies	9,634	174	6	0	0	<b>9,814</b>

\* For detail by year see previous Annual Reports.

\*\* All projects approved in 1990 are past the end of their entitlement period. However, a taxpayer amendment and audit adjustments to previous credits allowed or benefits received may still be reflected in current year credits earned.

Table 18

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1991)**

	1991-1996*	1997	1998	1999	2000	Total
Number of Companies Reporting	N/A	14	3	0	1**	
Investment Credits	\$37,415,942	\$ 4,656,481	\$1,694,507	0	\$(55,668)	<b>\$43,711,262</b>
New Jobs Credits	34,249,452	7,812,190	568,865	0	246	<b>42,630,753</b>
Total Credits Earned	<u>\$71,665,394</u>	<u>\$12,468,671</u>	<u>\$2,263,372</u>	<u>0</u>	<u>\$(55,422)</u>	<b>\$86,342,015</b>
Credits Used						
Income Tax	\$26,155,319	\$3,573,373	\$1,707,958	\$1,360,997	\$ 650,150	<b>\$33,447,797</b>
Sales/Use Tax Refunds	11,741,380	2,097,103	5,331,050	2,514,477	4,022,425	<b>25,706,435</b>
Total Credits Used	<u>\$37,896,699</u>	<u>\$5,670,476</u>	<u>\$7,039,008</u>	<u>\$3,875,474</u>	<u>\$4,672,575</u>	<b>\$59,154,232</b>
Direct Sales/Use Tax Refunds on Investment	\$25,762,044	\$2,444,274	\$1,708,232	\$(1,067,762)	\$26,656	<b>\$28,873,444</b>
Pending Sales/Use Tax Refunds as of 12/31	N/A	\$2,775,684	\$751,586	\$2,612,684	\$367,910	<b>N/A</b>
Qualified Investment	\$829,978,301	\$46,564,810	\$16,945,070	0	\$(556,680)	<b>\$892,931,501</b>
New Jobs of Qualifying Companies	7,101	37	9	0	0	<b>7,147</b>

\* For detail by year see previous Annual Reports.

\*\* All projects approved in 1991 are past the end of their entitlement period. However, a taxpayer amendment and audit adjustments to previous credits allowed or benefits received may still be reflected in current year credits earned.

Table 19

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1992)**

	1992-1996*	1997	1998	1999	2000	Total
Number of Companies Reporting	N/A	14	10	4	2**	
Investment Credits	\$24,313,961	\$3,949,492	\$3,327,715	\$227,669	\$ 543,370	<b>\$32,362,207</b>
New Jobs Credits	8,733,501	3,223,238	3,253,024	551,018	577,892	<b>16,338,673</b>
Total Credits Earned	<u>\$33,047,462</u>	<u>\$7,172,730</u>	<u>\$6,580,739</u>	<u>\$778,687</u>	<u>\$1,121,262</u>	<b>\$48,700,880</b>
Credits Used						
Income Tax	\$ 9,927,396	\$1,746,773	\$2,074,739	\$1,026,540	\$1,153,870	<b>\$15,929,318</b>
Sales/Use Tax Refunds	6,937,804	1,646,191	1,391,770	1,847,319	4,429,925	<b>16,253,009</b>
Total Credits Used	<u>\$16,865,200</u>	<u>\$3,392,964</u>	<u>\$3,466,509</u>	<u>\$2,873,859</u>	<u>\$5,583,795</u>	<b>\$32,182,327</b>
Direct Sales/Use Tax Refunds on Investment	\$9,686,605	\$2,355,267	\$503,702	\$296,890	\$293,752	<b>\$13,136,216</b>
Pending Sales/Use Tax Refunds as of 12/31	N/A	\$569,235	\$1,128,883	\$2,003,559	\$493,556	<b>N/A</b>
Qualified Investment	\$243,139,640	\$39,494,920	\$33,277,150	\$2,276,690	\$5,433,700	<b>\$323,622,100</b>
New Jobs of Qualifying Companies	2,425	(647)	307	(7)	39	<b>2,117</b>

\* For detail by year see previous Annual Reports.

\*\* Thirteen companies had previously reached the end of their entitlement period and were no longer eligible to earn credits.



Table 20

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1993)**

	1993-1996*	1997	1998	1999	2000	Total
Number of Companies Reporting	N/A	14	12	6	2 **	
Investment Credits	\$63,878,364	\$16,466,773	\$15,899,551	\$ 917,926	\$2,011,629	<b>\$ 99,174,243</b>
New Jobs Credits	16,673,121	4,670,298	3,940,586	1,188,914	1,723,926	<b>28,196,845</b>
Total Credits Earned	<u>\$80,551,485</u>	<u>\$21,137,071</u>	<u>\$19,840,137</u>	<u>\$2,106,840</u>	<u>\$3,735,555</u>	<b>\$127,371,088</b>
Credits Used						
Income Tax	\$18,691,009	\$5,098,498	\$ 3,427,398	\$ 427,341	\$1,700,956	<b>\$29,345,202</b>
Sales/Use Tax Refunds	7,993,262	3,817,061	7,498,855	4,511,051	6,199,141	<b>30,019,370</b>
Total Credits Used	<u>\$26,684,271</u>	<u>\$8,915,559</u>	<u>\$10,926,253</u>	<u>\$4,938,392</u>	<u>\$7,900,097</u>	<b>\$59,364,572</b>
Direct Sales/Use Tax Refunds on Investment	\$15,720,469	\$3,841,765	\$4,267,602	\$4,752,009	\$(3,721,732)***	<b>\$24,860,113</b>
Pending Sales/Use Tax Refunds as of 12/31	N/A	\$1,107,765	\$622,968	\$1,310,955	\$1,787,241	<b>N/A</b>
Qualified Investment	\$638,783,633	\$164,667,727	\$158,995,510	\$9,179,260	\$20,116,290	<b>\$991,742,420</b>
New Jobs of Qualifying Companies	3,814	141	355	211	23	<b>4,544</b>

\* For detail by year see previous Annual Reports.

\*\* Seventeen companies had previously reached the end of their entitlement period and were no longer eligible to earn credits.

\*\*\* Correction of prior year data entry error.

Table 21

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1994)**

	1994-1996*	1997	1998	1999	2000	Total
Number of Companies Reporting	N/A	13	10	11	9 **	
Investment Credits	\$40,614,468	\$17,604,985	\$3,492,955	\$5,403,261	\$ 9,563,032	<b>\$76,678,701</b>
New Jobs Credits	4,691,900	2,672,386	3,093,684	3,881,072	4,481,672	<b>18,820,714</b>
Total Credits Earned	<u>\$45,306,368</u>	<u>\$20,277,371</u>	<u>\$6,586,639</u>	<u>\$9,284,333</u>	<u>\$14,044,704</u>	<b>\$95,499,415</b>
Credits Used						
Income Tax	\$4,431,724	\$ 961,779	\$ 856,555	\$ 175,157	\$1,436,103	<b>\$ 7,861,318</b>
Sales/Use Tax Refunds	3,518,805	1,034,249	1,325,933	1,216,677	3,664,454	<b>10,760,118</b>
Total Credits Used	<u>\$7,950,529</u>	<u>\$1,996,028</u>	<u>\$2,182,488</u>	<u>\$1,391,834</u>	<u>\$5,100,557</u>	<b>\$18,621,436</b>
Direct Sales/Use Tax Refunds on Investment	\$13,415,404	\$1,095,984	\$1,707,065	\$610,739	\$1,152,765	<b>\$17,981,957</b>
Pending Sales/Use Tax Refunds as of 12/31	N/A	\$1,874,027	\$801,250	\$1,813,903	\$1,131,095	<b>N/A</b>
Qualified Investment	\$406,144,681	\$176,049,850	\$34,929,550	\$54,032,610	\$95,630,320	<b>\$766,787,011</b>
New Jobs of Qualifying Companies	1,603	26	662	303	617	<b>3,211</b>

\* For detail by year see previous Annual Reports.

\*\* Three companies had previously reached the end of their entitlement period and were no longer eligible to earn credits.

Table 22

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1995)**

	1995-1996*	1997	1998	1999	2000	Total
Number of Companies Reporting	N/A	27	28	26	22**	
Investment Credits	\$69,682,924	\$29,688,376	\$22,668,574	\$20,271,412	\$32,088,053	<b>\$174,399,339</b>
New Jobs Credits	11,343,417	8,253,974	10,307,380	11,325,180	9,643,962	<b>50,873,913</b>
Total Credits Earned	<u>\$81,026,341</u>	<u>\$37,942,350</u>	<u>\$32,975,954</u>	<u>\$31,596,592</u>	<u>\$41,732,015</u>	<b>\$225,273,252</b>
Credits Used						
Income Tax	\$ 8,158,482	\$3,073,113	\$12,221,374	\$11,683,507	\$20,934,114	<b>\$56,070,590</b>
Sales/Use Tax Refunds	<u>2,572,665</u>	<u>1,654,381</u>	<u>9,380,452</u>	<u>9,137,345</u>	<u>10,456,716</u>	<b>33,201,559</b>
Total Credits Used	<u>\$10,731,147</u>	<u>\$4,727,494</u>	<u>\$21,601,826</u>	<u>\$20,820,852</u>	<u>\$31,390,830</u>	<b>\$89,272,149</b>
Direct Sales/Use Tax Refunds on Investment	\$33,235,892	\$8,474,730	\$10,947,550	\$5,632,984	\$10,829,608	<b>\$69,120,764</b>
Pending Sales/Use Tax Refunds as of 12/31	N/A	\$9,957,760	\$6,629,152	\$10,023,409	\$15,617,491	<b>N/A</b>
Qualified Investment	\$737,319,602	\$307,101,298	\$245,871,814	\$224,568,138	\$339,870,706	<b>\$1,854,731,558</b>
New Jobs of Qualifying Companies	4,623	1,227	1,428	841	458	<b>8,577</b>

\* For detail by year see previous Annual Reports.

\*\* Six companies had previously reached the end of their entitlement period and were no longer eligible to earn credits.

Table 23

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1996)**

	1996	1997	1998	1999	2000	Total
Number of Companies Reporting	27	26	22	25	23*	
Investment Credits	\$29,373,217	\$11,540,240	\$13,779,500	\$ 9,390,056	\$17,800,623	<b>\$ 81,883,636</b>
New Jobs Credits	6,448,799	6,921,281	9,891,161	10,979,684	13,063,543	<b>47,304,468</b>
Total Credits Earned	<u>\$35,822,016</u>	<u>\$18,461,521</u>	<u>\$23,670,661</u>	<u>\$20,369,740</u>	<u>\$30,864,166</u>	<b>\$129,188,104</b>
Credits Used						
Income Tax	\$4,356,395	\$2,770,609	\$ 6,196,440	\$4,217,949	\$ 6,264,722	<b>\$23,806,115</b>
Sales/Use Tax Refunds	<u>466,753</u>	<u>1,593,839</u>	<u>4,088,181</u>	<u>3,343,731</u>	<u>4,400,658</u>	<b>13,893,162</b>
Total Credits Used	<u>\$4,823,148</u>	<u>\$4,364,448</u>	<u>\$10,284,621</u>	<u>\$7,561,680</u>	<u>\$10,665,380</u>	<b>\$37,699,277</b>
Direct Sales/Use Tax Refunds on Investment	\$4,874,800	\$2,591,915	\$6,875,964	\$4,404,588	\$3,886,662	<b>\$22,633,929</b>
Pending Sales/Use Tax Refunds as of 12/31	\$954,863	\$1,696,360	\$1,709,365	\$1,381,476	\$2,385,865	<b>N/A</b>
Qualified Investment	\$293,732,143	\$115,402,400	\$137,795,000	\$93,900,560	\$178,006,230	<b>\$818,836,333</b>
New Jobs of Qualifying Companies	3,167	1,793	748	1,623	1,007	<b>8,338</b>

\* One company had previously reached the end of its entitlement period and was no longer eligible to earn credits.

Table 24

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1997)**

	1997	1998	1999	2000	Total
Number of Companies Reporting	28	20	27	25	
Investment Credits	\$64,060,815	\$23,505,964	\$29,947,980	\$41,093,180	\$158,607,939
New Jobs Credits	5,030,363	7,095,930	10,329,587	10,906,005	33,361,885
Total Credits Earned	\$69,091,178	\$30,601,894	\$40,277,567	\$51,999,185	\$ 191,969,824
Credits Used					
Income Tax	\$7,648,102	\$4,843,056	\$ 8,725,256	\$ 8,503,424	\$29,719,838
Sales/Use Tax Refunds	1,960,195	4,534,402	6,278,769	6,478,791	19,252,157
Total Credits Used	\$9,608,297	\$9,377,458	\$15,004,025	\$14,982,215	\$48,971,995
Direct Sales/Use Tax Refunds on Investment	\$7,657,689	\$20,034,224	\$13,823,878	\$10,405,982	\$51,921,773
Pending Sales/Use Tax Refunds as of 12/31	\$12,721,543	\$6,846,380	\$1,924,610	\$8,584,021	N/A
Qualified Investment	\$878,872,269	\$204,081,069	\$422,585,895	\$526,066,321	\$2,031,605,554
New Jobs of Qualifying Companies	3,003	1,114	1,072	43	5,232

Table 25

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1998)**

	1998	1999	2000	Total
Number of Companies Reporting	23	14	19*	
Investment Credits	\$16,955,122	\$6,361,994	\$3,219,330	\$26,536,446
New Jobs Credits	1,991,811	1,980,239	2,678,609	6,650,659
Total Credits Earned	\$18,946,933	\$8,342,233	\$5,897,939	\$33,187,105
Credits Used				
Income Tax	\$ 0	\$2,395,619	\$3,882,786	\$6,278,405
Sales/Use Tax Refunds	303,104	338,927	2,093,060	2,735,091
Total Credits Used	\$303,104	\$2,734,546	\$5,975,846	\$9,013,496
Direct Sales/Use Tax Refunds on Investment	\$2,355,087	\$7,022,596	\$2,251,855	\$11,629,538
Pending Sales/Use Tax Refunds as of 12/31	\$6,465,987	\$612,829	\$4,704,636	N/A
Qualified Investment	\$390,734,012	\$89,981,985	\$37,403,010	\$518,119,007
New Jobs of Qualifying Companies	1,256	336	143	1,735

\* One company had previously reached the end of its entitlement period and was no longer eligible to earn credits.

Table 26

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 1999)**

	1999	2000	Total
Number of Companies Reporting	25*	18	
Investment Credits	\$17,564,025	\$5,336,151	<b>\$22,900,176</b>
New Jobs Credits	3,513,485	2,381,629	<b>5,895,114</b>
Total Credits Earned	<u>\$21,077,510</u>	<u>\$7,717,780</u>	<b>\$28,795,290</b>
Credits Used			
Income Tax	\$1,802,158	\$4,506,493	<b>\$6,308,651</b>
Sales/Use Tax Refunds	123,032	1,490,942	<b>1,613,974</b>
Total Credits Used	<u>\$1,925,190</u>	<u>\$5,997,435</u>	<b>\$7,922,625</b>
Direct Sales/Use Tax Refunds on Investment	\$2,758,801	\$2,527,013	<b>\$5,285,814</b>
Pending Sales/Use Tax Refunds as of 12/31	\$5,443,062	\$1,533,797	<b>N/A</b>
Qualified Investment	\$279,327,694	\$70,977,183	<b>\$350,304,877</b>
New Jobs of Qualifying Companies	1,908	317	<b>2,225</b>

\* Upon final review of audit, one company previously reported as qualified was determined to be non-qualified.

Table 27

**Summary of Benefits by Year  
(Companies Verified as Qualifying in 2000)**

	2000	Total
Number of Companies Reporting	17	
Investment Credits	\$65,755,392	<b>\$65,755,392</b>
New Jobs Credits	2,778,812	<b>2,778,812</b>
Total Credits Earned	<u>\$68,534,204</u>	<b>\$68,534,204</b>
Credits Used		
Income Tax	\$824,852	<b>\$824,852</b>
Sales/Use Tax Refunds	0	<b>0</b>
Total Credits Used	<u>\$824,852</u>	<b>\$824,852</b>
Direct Sales/Use Tax Refunds on Investment	\$10,892,426	<b>\$10,892,426</b>
Pending Sales/Use Tax Refunds as of 12/31	\$2,338,005	<b>N/A</b>
Qualified Investment	\$708,457,879	<b>\$708,457,879</b>
New Jobs of Qualifying Companies	1,192	<b>1,192</b>

## Projected Revenue Gains and (Losses) of LB 775 and LB 829 as amended for Tax Years 1987-2015 Projects by Fiscal Years\*\*

The estimates are based on a sample of 100 agreements and actual results of 296 projects from 1987 through 2000. Employment and investment flows are projected at rates indicated by the corresponding companies' applications. The analysis time frame considers future agreements signed through the year 2015 with a 95 percent success rate.

All other pertinent information as provided in the applications, such as salary levels and investment composition (not all property is treated equally in regard to tax preferences), is taken into consideration.

The classification of jobs into new economic jobs or existing jobs (jobs that would have been created regardless of the existence of the Employment and Investment Growth Act) is based on the company provided description of the project. The model estimates that 30 percent of the jobs created are true new economic jobs.

Credit used estimate is based on the assumption of maximized use for each year either against corporate income tax, individual income tax, or sales and use tax.

The time series analysis from 1987 to 2000 indicates that the usage of credits against sales and use taxes paid averages 45 percent of credits used. This usage factor was used for the future allocation of credits used. The liability analysis of the calendar year simulation model is converted into a fiscal year cash flow model.

The estimated profitability (individual and corporate income tax liability available for credit set-off) is based on the historical profitability of the respective companies.

The following is an estimate of new projects for the years 2001 through 2015.

Year	# of Agreements Signed	AVERAGE PER PROJECT*		
		\$ Million of Investment	Number of Employees	Salary Level
2001	25	53.9	126	24,240
2002	25	68.2	291	27,762
2003	20	28.1	299	25,468
2004	18	27.3	235	29,167
2005	17	50.9	204	26,757
2006	30	53.9	142	30,644
2007	20	49.5	126	28,111
2008	25	58.5	127	32,195
2009	40	50.1	291	29,535
2010	32	43.3	235	33,000
2011	28	37.2	135	36,439
2012	22	26.5	105	40,056
2013	20	33.6	95	39,067
2014	18	38.9	110	46,045
2015	31	53.9	230	38,200

\*The investment and employment levels represent the entire investment and employment associated with the project through the entitlement period (employment levels represent the employees qualifying for credits).

\*\* A detailed description of the model is available upon request.

(Methodology and Assumptions for LB 775 Benefit and Cost Estimate; Nebraska Department of Revenue, Finance and Research Division, August 1996.)

**PROJECTED REVENUE GAINS OR (LOSSES) OF LB 775 AND LB 829 AS AMENDED  
FOR TAX YEARS 1987-2015 BY FISCAL YEAR**

Fiscal Year		00/01	01/02	02/03	03/04	04/05	05/06
SUMMARY	Expansion: Sales and Use	65,844,258	69,981,739	73,655,078	77,137,901	80,056,831	82,552,709
	Corporate	6,840,954	7,293,810	7,732,391	8,127,812	8,492,275	8,799,081
	Individual	29,074,085	30,910,220	32,554,987	34,106,285	35,419,643	36,540,716
	Sales and Use Tax Refunds TPP	32,842,175	32,512,653	32,131,609	31,159,757	29,460,667	27,489,201
	Sales Only Formula	0	0	0	0	0	0
	Credits and Wage Benefit Credit Used	84,677,504	86,395,398	87,436,526	86,826,231	85,276,348	83,406,086
	Corp. or Individ. & Wage Benefit Credit	44,879,077	45,789,561	46,341,359	50,359,214	49,460,282	48,375,530
	Sales and Use	39,798,427	40,605,837	41,095,167	36,467,017	35,816,066	35,030,556
	Gain or (Loss)	(15,760,381)	(10,722,283)	(5,625,680)	1,386,009	9,231,734	16,997,219
	Cumulative	(358,317,454)	(369,039,736)	(374,665,416)	(373,279,407)	(364,047,673)	(347,050,454)
	Sales Tax Refunds (TPP+Credits Used)	72,640,601	73,118,491	73,226,776	67,626,774	65,276,733	62,519,757
Fiscal Year		06/07	07/08	08/09	09/10	10/11	11/12
SUMMARY	Expansion: Sales and Use	85,453,728	74,445,300	78,148,899	76,668,810	73,619,762	76,069,049
	Corporate	9,082,328	9,019,472	8,220,013	8,482,596	8,278,399	8,095,781
	Individual	37,814,423	33,385,909	34,547,565	34,060,562	32,759,264	33,665,932
	Sales and Use Tax Refunds TPP	26,221,230	26,034,269	26,343,000	27,422,383	29,638,041	31,502,566
	Sales Only Formula	0	0	0	0	0	0
	Credits and Wage Benefit Credit Used	80,961,321	78,814,467	77,430,958	77,252,908	78,420,098	79,891,846
	Corp. or Individ. & Wage Benefit Credit	46,957,566	45,712,391	44,909,956	44,806,687	45,483,657	43,940,515
	Sales and Use	34,003,755	33,102,076	32,521,003	32,446,221	32,936,441	35,951,331
	Gain or (Loss)	25,167,928	12,001,944	17,142,520	14,536,677	6,599,286	6,436,350
	Cumulative	(321,882,526)	(309,880,581)	(292,738,061)	(278,201,384)	(271,602,098)	(265,165,748)
	Sales Tax Refunds (TPP+Credits Used)	60,224,984	59,136,346	58,864,002	59,868,604	62,574,482	67,453,896
Fiscal Year		12/13	13/14	14/15	15/16	16/17	17/18
SUMMARY	Expansion: Sales and Use	75,178,153	76,521,815	77,967,833	76,241,311	76,615,712	86,479,302
	Corporate	8,271,831	8,235,595	8,434,851	8,710,016	8,745,680	9,046,707
	Individual	33,379,994	33,902,964	34,561,074	33,980,531	34,144,557	38,210,403
	Sales and Use Tax Refunds TPP	32,360,845	33,085,366	32,621,100	30,978,608	32,833,510	39,026,037
	Sales Only Formula	0	0	0	0	0	0
	Credits and Wage Benefit Credit Used	81,606,775	83,906,314	85,607,670	87,377,375	92,577,963	99,897,844
	Corp. or Individ. & Wage Benefit Credit	44,883,726	46,148,473	49,652,448	50,678,877	53,695,219	57,940,749
	Sales and Use	36,723,049	37,757,841	35,955,221	36,698,497	38,882,744	41,957,094
	Gain or (Loss)	2,862,358	1,668,694	2,734,989	575,875	(5,905,524)	(5,187,469)
	Cumulative	(262,303,390)	(260,634,696)	(257,899,707)	(257,323,831)	(263,229,356)	(268,416,824)
	Sales Tax Refunds (TPP+Credits Used)	69,083,893	70,843,208	68,576,321	67,677,105	71,716,255	80,983,131

**Table 28 Estimate of Personal Property Valuation Exempted Under LB 775 By Class In Each County (Tax Year 2000)**

The following tables show the value of personal property exempted for 2000 and cumulative for tax years 1988-2000. When a company applies for LB 775 benefits under the \$10 million investment and 100 employees option, a personal property tax exemption is available for

- Turbine-powered aircraft used in connection with the project.

The Department of Revenue conducts field reviews to verify that the companies have met the minimum of \$10 million investment and 100 employees to qualify for property tax exemption on

the following property used in connection with the project:

- Mainframe business computers plus certain peripheral components connected to such computers,
- Personal property, which is business equipment located in a single project involved directly in the manufacture or processing of agricultural products. (For applications filed before January 1, 1988, the exemption is for business equipment if the business equipment is utilized in a business which is involved directly in the manufacture or processing of agricultural products, and the business equipment had a minimum aggregate value of ten million dollars.)

County	Airplanes	Computer Equipment	Business Equipment	Total
Adams .....	\$ 0	\$ 0	\$ 14,616,073	\$ 14,616,073
Buffalo .....	0	1,402,803	2,270	1,405,073
Cheyenne .....	4,250,000	3,044,097	0	7,294,097
Colfax .....	0	0	18,430,763	18,430,763
Cuming .....	0	0	1,744,762	1,744,762
Custer .....	0	7,771	0	7,771
Dakota .....	0	0	30,661,891	30,661,891
Dawson .....	0	0	11,882,787	11,882,787
Dixon .....	0	0	7,995,257	7,995,257
Dodge .....	0	304	9,999,868	10,000,172
Douglas .....	37,510,790	124,053,552	69,545,819	231,110,161
Gage .....	0	0	85,520	85,520
Hall .....	25,477	509,699	10,671,724	11,206,900
Knox .....	0	0	1,447,540	1,447,540
Lancaster .....	1,314,216	2,982,174	1,397	4,297,787
Lincoln .....	0	474,991	0	474,991
Madison .....	0	0	4,234,521	4,234,521
Otoe .....	0	0	5,591,576	5,591,576
Phelps .....	0	4,421	0	4,421
Platte .....	0	151,375	106,836,755	106,988,130
Red Willow .....	0	0	3,747	3,747
Saline .....	0	1,089,014	24,109,552	25,198,566
Sarpy .....	0	3,315,230	3,170,467	6,485,697
Washington .....	0	0	149,604,503	149,604,503
*Central .....	5,637,115	0	0	5,637,115
<b>Total .....</b>	<b>\$48,737,598</b>	<b>\$137,035,431</b>	<b>\$470,636,792</b>	<b>\$656,409,821</b>

\* Centrally assessed property with value distributed throughout the state. These figures represent our estimates of the values exempted.

**Table 29 Estimate of Personal Property Valuation Exempted Under LB 775 By Class In Each County (Cumulative for Tax Years 1988-2000)**

<b>County</b>	<b>Airplanes</b>	<b>Computer Equipment</b>	<b>Business Equipment</b>	<b>Total</b>
Adams .....	\$ 0	\$ 0	\$ 121,238,526	\$ 121,238,526
Box Butte .....	0	102,472	0	102,472
Buffalo .....	0	3,411,849	63,645	3,475,494
Butler .....	0	41,145	0	41,145
Cheyenne .....	4,250,000	5,655,601	0	9,905,601
Colfax .....	0	0	98,513,149	98,513,149
Cuming .....	0	0	8,791,807	8,791,807
Custer .....	0	663,100	10,194	673,294
Dakota .....	0	0	217,826,927	217,826,927
Dawes .....	0	171,909	0	171,909
Dawson .....	0	0	204,334,120	204,334,120
Dixon .....	0	504,272	119,241,985	119,746,257
Dodge .....	0	258,633	39,190,911	39,449,544
Douglas .....	203,099,458	1,657,540,929	459,927,095	2,320,567,482
Gage .....	0	62,719	1,235,615	1,298,334
Hall .....	809,137	1,679,843	65,051,820	67,540,800
Knox .....	0	0	66,192,978	66,192,978
Lancaster .....	18,373,249	69,123,737	241,896	87,738,882
Lincoln .....	0	2,021,503	48,451	2,069,954
Madison .....	0	6,943	81,148,747	81,155,690
Otoe .....	0	0	14,236,268	14,236,268
Phelps .....	0	1,539,181	0	1,539,181
Platte .....	0	8,690,398	812,935,321	821,625,719
Red Willow .....	0	0	31,401	31,401
Saline .....	0	4,703,272	147,063,313	151,766,585
Sarpy .....	7,911,346	49,302,775	39,631,245	96,845,366
Scottsbluff .....	0	345,383	0	345,383
Seward .....	0	141,359	0	141,359
Washington .....	0	340,809	643,344,033	643,684,842
Wayne .....	0	117,223	0	117,223
York .....	0	366,371	0	366,371
*Central .....	69,426,823	0	0	69,426,823
<b>Total .....</b>	<b>\$303,870,013</b>	<b>\$1,806,791,426</b>	<b>\$3,140,299,447</b>	<b>\$5,250,960,886</b>

\* Centrally assessed property with value distributed throughout the state. These figures represent our estimates of the values exempted.



**Quality Jobs Act LB 829 as amended  
(as amended by LB 1368)**



**Neb. Rev. Stat. §77-4933 (R.R.S.1996) states:**

*The Department of Revenue shall submit an annual report to the Legislature no later than March 15 each year. The report shall list (a) the agreements which have been signed during the previous calendar year, (b) the agreements which are still in effect, (c) the identity of each company, and (d) the location of each project.*

*The report shall also state by industry group (a) the amount of wage benefit credits allowed under the Quality Jobs Act, (b) the number of direct jobs created at the project, (c) the amount of direct capital investment under the act, (d) the estimated wage levels of jobs created by the companies at the projects, (e) the estimated indirect jobs and investment created on account of the projects, and (f) the projected future state and local revenue gains and losses from all revenue sources on account of the direct and indirect jobs and investment created on account of the project.*

*No information shall be provided in the report that is protected by state or federal confidentiality laws.*

## LB 829 (as amended by LB 1368) Qualified Activity Reported in 2000

The Quality Jobs Act, LB 829, requires a separate application subject to approval by the Quality Jobs Board. The members of the board are the Governor, the State Treasurer, and the chairperson of the Nebraska Investment Council. A qualifying business must invest at least \$50 million in qualified property and hire at least 500 new employees or invest at least \$100 million in qualified property and hire at least 250 new employees. If the company reaches and maintains these levels, they are eligible for a wage benefit credit.

The wage benefit credit may be used to pay for company training programs, employee benefit programs, educational institution training programs or workplace safety programs. The agreement specifies whether the company has elected to use the credit against the company's income tax or to retain and use a portion of the individual income tax withholding as designated by the employee.

There are seven agreements signed under LB 829. Wage benefit credits were allowed in 1998 through 2000, however due to confidentiality no information is reported.

No new LB 829 applications may be filed after February 1, 2000 without further authorization of the Legislature.

### Agreements Signed in 1996 That are Still in Effect

Company Name	Project Type	Project Location
1. Union Pacific Railroad Company	\$100M + 250 emp	Omaha

### Agreements Signed in 1997 That are Still in Effect

Company Name	Project Type	Project Location
1. Cargill Incorporated	\$100M + 250 emp	Greater Blair area
2. First Data Corporation	\$60M + 2000 emp	Omaha

### Agreements Signed in 1998 That are Still in Effect

Company Name	Project Type	Project Location
1. Caterpillar Claas America LLC	\$60M + 500 emp	Omaha Metro
2. Nebraska Beef, Ltd.	\$69M + 936 emp	Omaha
3. Novartis Consumer Health, Inc.	\$103M + 275 emp	Lincoln

### Agreements Signed in 2000 That are Still in Effect

Company Name	Project Type	Project Location
1. Becton Dickinson and Company	\$146M + 287 emp	Columbus, Broken Bow, and Holdrege

**Employment Expansion and  
Investment Incentive Act LB 1124,  
LB 270, as amended**



**Neb. Rev. Stat. §77-27,195 states:**

*Report; contents. (1) The Tax Commissioner shall prepare a report identifying the amount of investment in this state and the number of equivalent jobs created by each taxpayer claiming a credit pursuant to the Employment Expansion and Investment Incentive Act. The report shall include the amount of credits claimed in the aggregate. The report shall be issued on or before March 15 of each year, beginning with March 15, 1988, for all credits allowed during the previous calendar year.*

*(2) In the report for any year in which a taxpayer located in an enterprise zone designated pursuant to the Enterprise Zone Act claimed a credit pursuant to subsection (3) of section 77-27,188, the Tax Commissioner shall identify (a) the amount of investment made in each enterprise zone by all taxpayers claiming credits, (b) the number of jobs created in each enterprise zone by all taxpayers claiming credits, (c) the number of jobs created in each enterprise zone by all taxpayers claiming credits held by residents of the enterprise zone, and (d) the average wage on an hourly basis or the average annual salary of new jobs created in each enterprise zone by all taxpayers claiming credits.*

## **LB 1124, LB 270, as amended Qualified Activity Reported in 2000**

A separate application process is not required for this incentive program. The number of credits earned, jobs created, and investment made becomes available upon the filing of a Nebraska Employment and Investment Credit Computation, Form 3800N, with a tax return. In order to earn credits, a company must be in a qualifying business and within the taxable year have an increase of \$75,000 in qualifying investment and two new full-time equivalent employees. For five years after the initial year of qualification, the business may receive additional credits for new employees without any additional investment.

This report includes 1992 through 1999 tax returns processed during 2000. A total of 1,252 separate businesses have filed for benefits under LB 1124 through 2000.

In 2000, the department approved 409 returns from businesses, 222 of which reported new investment made and/or employees hired. These 222 returns reflected the following:

- Net new investment of \$143,364,935
- New full-time jobs of 1,895
- Credits of \$4,559,500

Eighty-seven returns processed in 2000 showed maintenance of past levels of employment and investment. If a taxpayer fails to maintain the levels of investment and employment that created the credit for at least two years after the year for which the credit was first allowed, part of the credit used is subject to recapture. During the subsequent two years, the taxpayer must repay to the state one-third of the amount of the credit subject to recapture for each year that the taxpayer did not maintain the required levels. One hundred two returns processed in 2000 reported recapture of past credits.

Credits may be carried over and used for the five immediately succeeding taxable years. Any credit carryover remaining at the end of the fifth year expires.

# Business Activity Summary

	Processed In 1988-1996****	Processed In 1997	Processed In 1998	Processed In 1999	Processed In 2000	Total
Investment	\$726,500,813	\$95,860,312	\$132,087,092	\$155,921,527	\$143,364,935**	<b>\$1,253,734,679</b>
Employees	16,909*	1,809*	2,043*	2,048	1,895***	<b>24,704</b>
Credits	\$31,265,500	\$3,981,500	\$4,907,152	\$4,899,500	\$4,559,500	<b>\$49,613,152</b>
LB 335 Credits	256,000	0	0	0	0	<b>256,000</b>
Enterprise Zone Credits	\$ 257,500	157,000	\$ 79,000	\$ 60,000	0	<b>\$ 553,500</b>
Total Credits	<u>\$31,779,000</u>	<u>\$4,138,500</u>	<u>\$4,986,152</u>	<u>\$4,959,500</u>	<u>\$4,559,500</u>	<b>\$50,422,652</b>
Credits Used:						
Income Tax	\$15,008,041	\$1,971,716	\$2,028,844	\$2,064,856	\$1,964,562	<b>\$23,038,019</b>
Sales Tax	8,934,099	1,263,281	1,906,125	1,778,558	2,037,679	<b>15,919,742</b>
Credits Recaptured:						
Income Tax	\$825,606	\$167,231	\$216,477	\$104,071	\$192,147	<b>\$1,505,532</b>
Sales Tax	225,277	9,705	18,996	45,500	6,338	<b>305,816</b>
Unused Credit Carryover Recaptured	\$1,039,302	\$137,498	\$362,385	\$188,443	\$297,769	<b>\$2,025,397</b>
Credits Expired	\$265,873	\$35,455	\$364,394	\$95,018	\$48,670	<b>\$809,410</b>

\* LB886 which was passed in 1997 changed the definition of a new employee from a full-time employee to a full-time equivalent employee operative for tax years beginning on or after January 1, 1998. These numbers are based on full-time employees.

** 1992 returns	251,751	*** 1992 returns	5 *
1993 returns	905,744	1993 returns	24 *
1994 returns	2,311,850	1994 returns	40 *
1995 returns	4,904,570	1995 returns	87 *
1996 returns	7,557,105	1996 returns	101 *
1997 returns	20,572,752	1997 returns	149 *
1998 returns	53,164,506	1998 returns	680
1999 returns	<u>53,696,657</u>	1999 returns	<u>809</u>
	143,364,935		1,895

\*\*\*\* For detail by year see previous Annual Reports

## 1992–1999 Business Activity (Processed in 2000)

	Net New Investment	Jobs		Net New Investment	Jobs
			61	610,656	2
1	9,401,976	5	62	607,625	22
2	5,280,653	20	63	602,117	4
3	4,657,420	5	64	601,486	8
4	4,610,688	2	65	579,077	4
5	4,063,341	3	66	575,053	7
6	3,826,429	104	67	568,105	4
7	3,801,722	2	68	561,425	5
8	3,695,917	12	69	560,979	3
9	3,541,754	6	70	560,865	3
10	3,456,686	35	71	536,679	2
11	2,729,390	2	72	506,494	3
12	2,694,053	7	73	491,122	3
13	2,417,535	27	74	482,463	4
14	2,306,028	7	75	458,256	6
15	2,279,360	2	76	433,972	5
16	2,180,598	8	77	432,811	7
17	2,135,036	12	78	430,274	3
18	2,112,668	16	79	397,904	8
19	2,028,561	34	80	397,518	2
20	1,971,401	30	81	397,259	2
21	1,945,942	32	82	392,541	4
22	1,805,528	5	83	391,679	11
23	1,757,690	5	84	380,790	5
24	1,701,408	5	85	378,942	3
25	1,616,685	7	86	376,860	2
26	1,552,203	6	87	372,324	13
27	1,537,948	4	88	372,020	2
28	1,517,701	18	89	368,842	9
29	1,426,754	15	90	357,562	18
30	1,425,000	10	91	349,730	14
31	1,413,515	5	92	349,143	6
32	1,291,381	5	93	337,482	4
33	1,176,509	4	94	336,403	6
34	1,153,523	2	95	316,926	21
35	1,111,265	8	96	291,303	3
36	1,068,220	11	97	289,595	2
37	999,940	2	98	285,999	6
38	979,653	13	99	271,281	4
39	978,092	3	100	269,340	7
40	941,384	3	101	262,832	3
41	934,504	16	102	261,516	7
42	931,721	11	103	258,834	6
43	906,088	8	104	255,830	10
44	898,921	7	105	255,657	2
45	803,798	6	106	251,751	5
46	803,628	17	107	251,348	2
47	770,400	5	108	247,786	3
48	759,291	75	109	247,078	27
49	754,126	7	110	240,724	24
50	749,142	14	111	240,496	4
51	724,387	28	112	236,210	2
52	723,958	3	113	233,115	8
53	717,708	7	114	231,433	2
54	707,270	8	115	231,242	3
55	684,405	6	116	222,598	17
56	680,134	6	117	216,914	4
57	658,692	2	118	216,019	3
58	650,642	3	119	215,415	14
59	616,740	23	120	213,995	5
60	614,821	4	121	213,505	6

# 1992–1999 Business Activity (Processed in 2000)

	Net New Investment	Jobs		Net New Investment	Jobs
122	213,272	2	172	83,592	2
123	210,665	48	173	83,368	2
124	207,877	5	174	82,731	6
125	206,357	14	175	82,176	2
126	199,740	6	176	81,655	5
127	195,383	21	177	81,162	6
128	194,706	12	178	80,625	4
129	182,308	9	179	79,904	3
130	181,843	13	180	79,829	3
131	180,578	10	181	77,618	2
132	177,549	30	182	76,924	16
133	176,930	5	183	76,862	12
134	171,802	5	184	76,004	3
135	169,523	2	185	75,365	12
136	166,196	8	186	75,121	2
137	164,464	5	187	0	17
138	162,734	2	188	0	15
139	160,242	6	189	0	13
140	159,845	3	190	0	9
141	154,368	3	191	0	9
142	153,468	4	192	0	8
143	150,672	6	193	0	8
144	144,027	3	194	0	7
145	144,000	11	195	0	7
146	136,816	2	196	0	7
147	136,589	2	197	0	6
148	132,668	14	198	0	6
149	132,255	7	199	0	5
150	129,810	3	200	0	5
151	129,778	2	201	0	5
152	127,419	4	202	0	5
153	127,389	5	203	0	5
154	125,662	8	204	0	4
155	123,357	9	205	0	4
156	123,132	16	206	0	4
157	120,197	24	207	0	4
158	117,735	9	208	0	4
159	112,411	6	209	0	3
160	111,417	11	210	0	3
161	106,939	29	211	0	3
162	105,787	4	212	0	3
163	104,769	3	213	0	3
164	100,663	3	214	0	2
165	97,128	6	215	0	2
166	95,582	5	216	0	2
167	94,023	5	217	0	2
168	93,728	9	218	0	2
169	92,256	2	219	0	2
170	87,117	2	220	0	2
171	85,484	3	221	0	2
			222	0	2
				1,026,206	37
Prior year amended Returns and Audit Adjustments					
			<b>222</b>	<b>143,364,935</b>	<b>1,895</b>
			<b>Returns</b>	<b>Investment</b>	<b>Jobs</b>

## *Enterprise Zone Act, LB 1124 as amended*



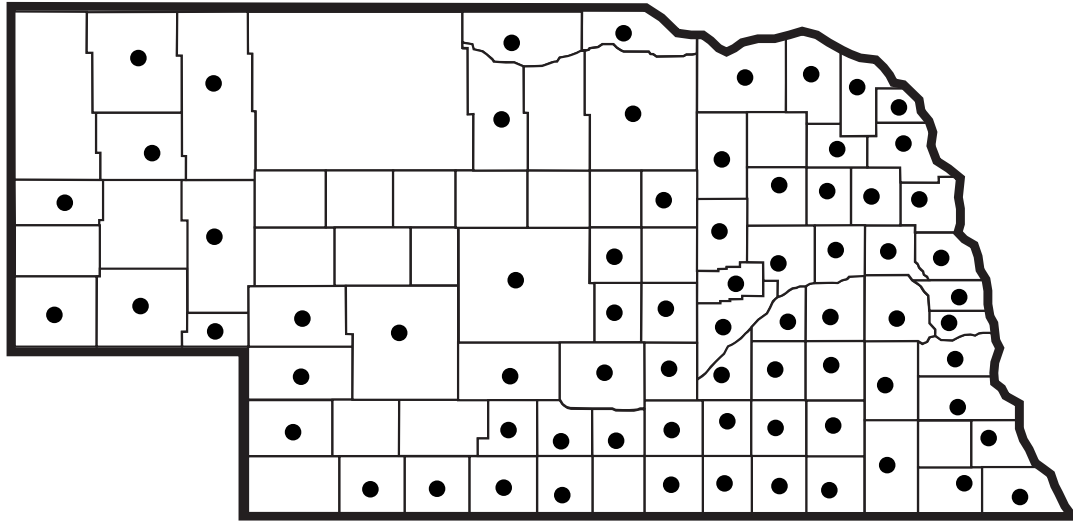
Incentive credits earned under the Enterprise Zone Act are based on the provisions of LB1124 other than higher credit levels are allowed. The Enterprise Zone Act provides a higher employment credit for companies engaged in a qualifying business within the defined enterprise zones and employing residents of the zone. If at least 50 percent of the new employees reside within the enterprise zone, then the company also receives additional credits for new investment. The credits provided under this subsection shall not exceed \$75,000 in any one tax year. In addition to the requirements to maintain the employment and investment levels for two years that are required of any LB 1124 company, those earning credits under the Enterprise Zone Act need to maintain the number of new employees residing in the enterprise zone.

The Nebraska Employment and Investment Credit Computation, Form 3800N, filed with a tax return is the method to report credits earned, investment made, jobs created for employees in total and for residents of the zone.

In 2000, no businesses within the enterprise zones qualified for new credits. The filing of returns to show maintenance for previously reported credits was the only activity in 2000.



**LB 1124**  
**(as amended by LB 270, LB 335, and LB 725)**  
**Location of Expansion**



Ainsworth	Columbus	Gretna	Madrid	Royal
Albion	Cozad	Gurley	Mead	St. Edward
Alda	Crete	Hampton	Milford	St. Paul
Alma	Crofton	Hardy	Milligan	Sargent
Allen	Culbertson	Hartington	Minden	Schuyler
Alliance	Dakota City	Hastings	Morrill	Scottsbluff
Ansley	David City	Hebron	Nebraska City	Seward
Arapahoe	Deshler	Henderson	Neligh	Shelby
Arcadia	Diller	Hickman	Nickerson	Shickley
Ashland	Doniphan	Holbrook	Norfolk	Sidney
Atkinson	Dorchester	Holdrege	North Bend	Snyder
Auburn	Douglas	Hoskins	North Loup	South Sioux City
Aurora	Eddyville	Howells	North Platte	Spencer
Bartlett	Edison	Humboldt	Ogallala	Springfield
Battle Creek	Elkhorn	Humphrey	O'Neill	Springview
Beatrice	Elm Creek	Imperial	Omaha	Stanton
Beemer	Elwood	Juniata	Orchard	Sutton
Bellevue	Emerson	Kearney	Osceola	Syracuse
Bennet	Exeter	Kimball	Oshkosh	Tekamah
Blair	Fairbury	Laurel	Oxford	Thurston
Bloomfield	Falls City	LaVista	Page	Utica
Broken Bow	Farnam	Leigh	Palmer	Valley
Bruning	Farwell	Lexington	Papillion	Venango
Brunswick	Fremont	Lincoln	Pender	Waco
Cedar Rapids	Fullerton	Lindsay	Peru	Wahoo
Central City	Geneva	Lisco	Petersburg	Waterloo
Chadron	Genoa	Litchfield	Pilger	Waverly
Chapman	Gering	Long Pine	Plattsmouth	Wayne
Chappell	Gibbon	Louisville	Pleasanton	Weeping Water
Chambers	Gordon	Lyman	Plymouth	West Point
Clarks	Gothenburg	Lyons	Ralston	Wisner
Clarkson	Grand Island	McCook	Randolph	York
Clearwater	Gresham	Madison	Red Cloud	

## *Rural Economic Opportunities Act, LB936*



### **Neb. Rev. Stat. 77-5412. States:**

*The Tax Commissioner shall submit an annual report to the Legislature no later than June 30 of each year.*

*The report shall state by industry group (a) the credits earned, (b) the credits used to reduce the corporate income tax and the credits used to reduce the individual income tax, (c) the number of jobs created, (d) the total number of employees employed by taxpayers at qualifying projects on the last day of the calendar quarter prior to the application date and the total number of employees employed by the taxpayers for the projects on subsequent reporting dates, (e) the expansion of capital investment, (f) the estimated wage levels of jobs created subsequent to the application date, (g) the total number of qualified applicants, (h) the projected future state revenue gains and losses, and (i) the credits outstanding.*

*No information shall be provided in the report that is protected by state or federal confidentiality laws.*

## **LB936**

### **Qualified Activity Reported in 2000**

The Rural Economic Opportunities Act, LB936, requires a separate application with the Nebraska Department of Revenue which states the planned employment, investment, and wages. The minimum required levels of investment, wages and employment vary by county and must meet the following requirements:

- A full-time equivalent employment increase of at least one half of one percent of the county labor force,
- Investment of \$100,000 times the number of required employees if the county labor force is more than 3,000 and \$50,000 times the number of required employees if the county labor force is 3,000 or less and
- Average annual wage equal to or greater than the average wage in the county or the region.

There were no qualified applicants in 2000.