

Description of LB 775 Application Options

1. **\$20M investment and no employees.** Benefits include:
 - Election to use the “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.
2. **\$3M investment and 30 FTE employees.** In addition to the benefits listed above, a “\$3M + 30” applicant is eligible for:
 - Five percent tax credit multiplied by 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.
3. **\$10M investment and 100 FTE employees.** In addition to the benefits listed above, a “\$10M + 100” applicant is eligible for a 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” option has a two-part agreement: one at the “\$3M + 30” level; and one at the “\$10M + 100” level. The companies listed as having applied under the “\$10M + 100” level may only have qualified under the “\$3M + 30” portion of their agreement. The only additional benefits available under the “\$10M + 100” 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 2008.