



NEBRASKA COMMUNITY DEVELOPMENT ASSISTANCE ACT
CREDIT COMPUTATION

for use with Form 1040N, Form 1041N, Form 1065N, Form 1120N, Form 1120NF, and Form 1120-SN

FORM CDN
1998

Name as Shown on Return

Social Security No. or Nebraska I.D. No.

Type of Nebraska Return [ ] 1040N [ ] 1041N [ ] 1065N [ ] 1120N [ ] 1120NF [ ] 1120-SN

PART A — Computation of the Credit

Table with 13 rows for credit computation. Rows include: 1 Community Development Assistance Act credit approved this year, 2 Unused credit carried over from 1993 through 1997, 3 Total of your share of distributed credits from line 14 below, 4 Total of lines 1, 2, and 3, 5 Nebraska tax liability, 6-10 Various credits (personal exemption, tax paid to another state, elderly/disabled, economic development, child care), 11 Line 5 minus total of lines 6 through 10, 12 Nebr. Community Development Assistance Act credit claimed for 1998, 13 Amount to be carried forward to 1999.

PART B — For Partners, S Corporation Shareholders, Certain Fiduciary Beneficiaries, and Members of LLCs Only

14 If any of the credit is from a partnership, S corporation, limited liability company, or fiduciary that distributes its income currently, enter in the space provided the name, address, Nebraska identification number, federal identification number, and your share of the credit of each partnership, S corporation, limited liability company, or fiduciary.

Table with 5 columns: Name, Address, Nebraska I.D. Number, Federal I.D. Number, Share of Credit. Includes a row for 'TOTAL of Your Share of Distributed Credits (enter here and on line 3 above)'.

PART C — For Partnerships, S Corporations, Certain Fiduciaries, and Limited Liability Companies Only

15 Distribution of Community Development Assistance Act credit among partners, shareholders, beneficiaries, and members of LLCs. Enter in the space provided the partner's, shareholder's, beneficiary's, or member's name, social security number or federal identification number, share of income or ownership, and appropriate share of the credit.

Table with 4 columns: Names of Partners, Shareholders, Beneficiaries, and Members; Social Security No. or Federal I.D. No.; Share of Income or Ownership; Share of Credit. Includes a 'TOTALS' row showing 100% share of credit.

ATTACH THIS FORM TO NEBRASKA INCOME OR DEPOSITS TAX RETURN

## INSTRUCTIONS

**WHO MUST FILE.** Any eligible claimant must file the Nebraska Community Development Assistance Act Credit Computation, Form CDN, to claim a credit.

**WHEN AND WHERE TO FILE.** This computation must be completed and attached to the income or deposits tax return filed with the Nebraska Department of Revenue.

**ELIGIBLE CLAIMANTS.** The Community Development Assistance Act credit may be claimed by business firms who have been granted the tax credit by the Nebraska Department of Economic Development (DED). The credit is given for contributions to projects of community betterment organizations approved by DED. Corporations, individuals, fiduciaries, partnerships, S corporations, and limited liability companies conducting business activity may be eligible for the credit. This includes insurance companies paying in lieu of intangible tax or financial institutions paying deposits tax.

For additional information on the Community Development Assistance Act credit, please contact the Nebraska Department of Economic Development, Housing and Community Development Division, P.O. Box 94666, Lincoln, Nebraska 68509-4666, or you may call (402) 471-2280 or (800) 426-6505, extension 2280. **Please do not contact the Nebraska Department of Revenue.**

**FISCAL YEAR TAXPAYERS.** Credit is to be claimed on this form for contributions made during the tax year beginning in 1998. The contribution made to the community betterment organization's approved program must qualify as a charitable contribution deduction on the business firm's 1998 federal income tax return, or be approved by the Department of Economic Development.

**AMENDED RETURNS.** Form CDN marked "Amended" must be attached to the amended return whenever the credit was claimed on an original return. If the amount of the carryover was changed, amended returns must be filed for all years affected by the change.

**RECORDS.** All claimants must retain records regarding their contributions for at least three years after claiming a credit or utilizing a carryover.

### SPECIFIC INSTRUCTIONS

**PART A.** All claimants will complete lines 1 through 4 of Part A. An individual, corporation, fiduciary that does not

distribute its income currently, or LLC which is taxed as a corporation will also complete the remainder of Part A. If you are a partner, shareholder of an S corporation, beneficiary of a fiduciary that distributes its income currently, or a member of a LLC which is taxed as a partnership, also complete Part B. Partnerships, S corporations, LLCs which are taxed as partnerships, and fiduciaries that distribute their income currently will complete Part C in addition to lines 1 through 4 of Part A.

**LINE 1.** Enter the amount of the tax credit approved by the Nebraska Department of Economic Development which is reflected on Form 1099NTC. Attach the green copy of Form 1099NTC to your income tax return. If no credit was granted in 1998, but Form CDN is being completed to claim unused credit carried forward from 1993 through 1997, enter zero on line 1. Complete lines 2 through 13 where applicable.

**LINE 2.** Enter the amount from line 13 of your 1997 Form CDN less any unused credit from 1992. If no unused credit was carried forward from 1993 through 1997, enter zero.

**LINE 11.** If the total of lines 6 through 10 is larger than the amount on line 5, these credit amounts must be recomputed. Refer to the appropriate instructions for individuals on Form 1040N.

**LINE 13.** Subtract line 12 from line 4. Any unused credit may be carried forward for the next five years after the credit was first granted.

**PART B.** If you are a partner, shareholder, beneficiary, or member who was allowed any of the credit of a partnership, S corporation, LLC, or fiduciary that distributes its income currently, list the name, address, Nebraska identification number, federal identification number, and your share of the credits from each entity which was allowed such credit.

**PART C.** Each partnership, S corporation, LLC which is taxed as a partnership, and fiduciary that distributes its income currently must enter the name, identification number or social security number, share of income or ownership, and share of the credit for each partner, shareholder, beneficiary, or member. The share of the credit is determined by multiplying the amount of line 3 by the share of income ownership of each partner, shareholder, beneficiary, or member.