

Name Doing Business As (DBA)		
Legal Business Name		
Street or Other Mailing Address		
City	State	ZIP Code
Nebraska Income Tax ID Number	Federal ID Number	Tax Year End
Check the box that corresponds with the federal income tax filing status.		
<input type="checkbox"/> Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other _____		

1 Is the applicant classified by the federal Surface Transportation Board as a Class III railroad? ..... Yes  No   
 If no, do not complete the rest of this application. You do not qualify for the credit.

2 Qualified shortline railroad maintenance expenditures during the tax year (line 1, Schedule I).....	<b>2</b>	
3 Line 2 multiplied by 50% .....	<b>3</b>	
4 Number of miles of railroad track owned or leased in this state by the applicant at the end of the tax year .....	<b>4</b>	
5 Line 4 multiplied by 1,500 .....	<b>5</b>	
6 Total credits requested (lesser of line 3 or 5) .....	<b>6</b>	

**Authorized Signature** This application must be signed by the applicant, or an individual authorized to sign for the applicant by a power of attorney. Attach a copy of a completed [Power of Attorney, Form 33](#).

Under penalties of law, I declare that I have examined this application, and to the best of my knowledge and belief, it is correct and complete.

**sign here**

Authorized Signature	Date	Print Name
Title	Phone Number	Email Address
Street or Other Mailing Address	City, State, ZIP Code	
Contact Person	Phone Number	Email Address

**Submit this application via DOR's secure file sharing system here.**

**For DOR Use Only**

\$ _____ (NSR Approved)	Comments: _____			
<input type="checkbox"/> Approved <input type="checkbox"/> Approved in Part <input type="checkbox"/> Disapproved				
Certificate # _____	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%; border-bottom: 1px solid black;">Authorized Signature</td> <td style="width:33%; border-bottom: 1px solid black;">Title</td> <td style="width:33%; border-bottom: 1px solid black;">Date</td> </tr> </table>	Authorized Signature	Title	Date
Authorized Signature	Title	Date		

## Instructions

**Who May File.** The Nebraska Shortline Rail Modernization Act (NSR) application may be filed by a taxpayer who is classified as a Class III railroad by the federal Surface Transportation Board.

**When and Where to File.** The application must be filed by May 1 of the calendar year immediately following the calendar year in which the qualified railroad maintenance expenditures were incurred. Applications for the tax credit will be considered in the order the applications are received. The Nebraska Department of Revenue (DOR) will only accept applications and required documentation uploaded through the secure file sharing system located on the Nebraska Shortline Rail Modernization Act Application page on DOR's website. If an application and supporting documents are not complete when received, the application date will be adjusted to the date all complete documentation is received. The applicant will receive an email confirmation after uploading the application and supporting documentation. Please keep the confirmation email with your records as proof your documents were received by DOR. The total amount of tax credits allowed for all applicants is \$500,000 for fiscal year 2025-26 and \$1 million for the following fiscal years.

**What to File.** The applicant must submit the application and Schedule I - Qualified Shortline Maintenance Expenditures.

**Notification and Use of Certified Credits.** Once an application is reviewed and the approved credits are certified, DOR will notify the applicant by secure email or the State of Nebraska's secure file sharing system of the certified credits issued to the applicant and the assigned certificate number. Credits may be used against income tax, and any taxes imposed by Neb. Rev. Stat. §§ 77-907 to 77-918 and Neb. Rev. Stat. §§ 77-3801 to 77-3807. Any unused credit is carried forward and can be applied against the tax liability for the next five taxable years immediately following the taxable year in which the credit was first allowed.

**Distribution of Credits.** A taxpayer that is a partnership, limited liability company, S corporation, a cooperative corporation, or fiduciary may elect to distribute all or part of the NSR credits to its partners, members, shareholders, or beneficiaries. The tax credits must be distributed in the same manner as income is distributed. The taxpayer must report the distribution on the Certified Tax Credit Distribution Schedule, Worksheet CTC and submit it with the Nebraska Incentives Credit Computation, Form 3800N. The distributing entity must inform the partners, shareholders, members, or beneficiaries listed on the distribution schedule of the approved distributed credit amount on the Nebraska Schedule K-1N.

**Assignability of Credits.** The tax credits allowed under the NSR may be assigned by a taxpayer to another taxpayer by completing Notice of Assignment of Nebraska Shortline Rail Modernization Act Credits at any time during the taxable year in which the credit was first allowed for the eligible taxpayer or in the five taxable years immediately following the taxable year in which the credit was first allowed for the eligible taxpayer. The assignor and assignee shall jointly file a copy of the written assignment agreement with DOR within thirty days of the assignment. The written agreement will contain the name, address, and Nebraska income tax ID of the parties to the assignment, the taxable year the eligible taxpayer incurred the expenditures, the amount of credit being assigned, and all taxable years for which the credit may be claimed.

### Terms

**Eligible taxpayer.** Eligible taxpayer means any shortline railroad company located wholly or partly in Nebraska that is classified by the federal Surface Transportation Board as a Class III railroad.

**Qualified shortline railroad maintenance expenditures.** Qualified shortline railroad maintenance expenditures means gross expenditures for railroad infrastructure maintenance and capital improvements, including, but not limited to, rail, tie plates, joint bars, fasteners, switches, ballast, subgrade, roadbed, bridges, industrial leads, sidings, signs, safety barriers, crossing signals and gates, and related track structures owned or leased by a Class III railroad. Qualified shortline railroad maintenance expenditures do not include expenditures used to generate a federal tax credit or expenditures funded by a federal grant.

**Taxpayer.** Taxpayer means any individual, corporation, partnership, limited liability company, trust, estate, or other entity subject to the income tax imposed by the Nebraska Revenue Act of 1967, Neb. Rev. Stat. §§77-907 to 77-918 or Neb. Rev. Stat. §§77-3801 to 77-3807.

## Specific Instructions

**Applicant Information.** Enter the applicant's name, mailing address, Nebraska Income Tax ID Number, Federal Employer ID number, and Tax Year End. Check the box that corresponds with your federal income tax filing status.

**Total Nebraska NSMRA Credits Requested.** Enter the amount from line 1 of Schedule I - Qualified Shortline Maintenance Expenditures.

**Authorized Signature.** This order form must be signed by the owner, partner, corporate officer, or other individual authorized to sign by a [Power of Attorney, Form 33](#) on file with DOR.

**Email.** By entering an email address, the retail dealer acknowledges that DOR may contact the retail dealer or contact the authorized person by email. The taxpayer accepts any risk to confidentiality associated with this method of communication. DOR will send all confidential information by secure email or the State of Nebraska's secure file sharing system. If you do not wish to be contacted by email, write "Opt Out" on the line labeled "email address."

## Schedule I — Qualified Shortline Maintenance Expenditures

Schedule I is used to report the amount of qualified shortline maintenance expenditures occurred during the tax year. On Line 1 of the Schedule I: (Enter the total tax credits requested on Form NSR, line 2).