

**Nebraska Community Development Assistance Act
Credit Computation**
For use with the Forms noted below.

FORM CDN
2023

Name on Return	Social Security Number or Nebraska ID Number
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Type of Nebraska Return ☐ 1040N ☐ 1041N ☐ 1065N ☐ 1120N ☐ 1120NF ☐ 1120-SN

Part A—Computation of the Credit

1 Community Development Assistance Act (CDAA) credit approved this year (see instructions)	1		
2 Unused credit carried over from 2018 through 2022 (list years).	2		
3 Total of your share of distributed credits from line 16 below	3		
4 Total CDAA credit (total of lines 1, 2, and 3)	4		
5 Nebraska tax liability. Enter line 17, Form 1040N; line 11, Form 1041N; line 11, Form 1120N; or line 11, Form 1120NF – whichever applies	5		
6 Nebraska personal exemption credit (residents – enter line 18, Form 1040N)	6		
7 Credit for tax paid to another state. Enter either line 19, Form 1040N; or line 12, Form 1041N	7		
8 Credit for the elderly or disabled (residents – enter line 20, Form 1040N)	8		
9 Nebraska child/dependent care nonrefundable credit (residents – enter line 23, Form 1040N)	9		
10 Credit for financial institution tax. Enter line 24, Form 1040N; or the financial institution tax credit portion of line 13, Form 1041N – whichever applies	10		
11 Employer credit for expenses incurred for TANF (ADC) recipients, line 25, Form 1040N; line 15, Form 1041N; or line 13, Form 1120N	11		
12 NE employer tax credit for employing convicted felons. Enter line 27, Form 1040N; line 16, Form 1041N; or line 16, Form 1120N	12		
13 Tax after nonrefundable credits other than CDAA credit (line 5 minus the total of lines 6 through 12) (if the total is greater than line 5, see instructions)	13		
14 Nebraska Community Development Assistance Act credit claimed for 2023 (line 4 or line 13, whichever is less). Enter here and on line 21, Form 1040N; line 13, Form 1041N; line 14, Form 1120N; or line 12, Form 1120NF – whichever applies	14		
15 Amount to be carried forward to 2024 (line 4 minus line 14)	15		

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

16 If any of the credit is from a partnership, S corporation, fiduciary that distributes its income currently, or LLC, enter the following information in the space provided:

Name	Address	Nebraska ID Number	Federal ID Number	Share of Credit

TOTAL of your share of distributed credits (enter here and on line 3 above)

Part C—For Partnerships, S Corporations, Certain Fiduciaries, and LLCs Only

17 Distribution of Community Development Assistance Act credit to partners, shareholders, beneficiaries, and members of LLCs. Attach a schedule, if necessary, listing all the required information for each partner, shareholder, beneficiary, or member. Enter the following information in the space provided:

Name of each Partner, Shareholder, Beneficiary, or Member	Social Security Number or Federal ID Number	Percentage Share of Income or Ownership	Share of Credit
TOTALS		100%	

Instructions

Who Must File. Any eligible claimant must file the Nebraska Community Development Assistance Act Credit Computation, Form CDN, to claim a credit or distribute the credit to its owners.

When and Where to File. This computation must be completed and attached to the income or financial institution tax return filed with the Nebraska Department of Revenue (DOR) or with the premium tax return filed with the Nebraska Department of Insurance.

Eligible Claimants. The Community Development Assistance Act credit may be claimed by individuals or business firms that 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 the DED. Individuals, sole proprietors, corporations, partnerships, S corporations, fiduciaries, and limited liability companies (LLCs) conducting business activities may be eligible for the credit. This includes insurance companies paying the premium tax or financial institutions paying the financial institution tax.

For additional information on the Community Development Assistance Act credit, please contact the Nebraska Department of Economic Development, 245 Fallbrook Blvd, Suite 002, PO Box 94666, Lincoln, Nebraska 68521-4666; or contact Darin Lubke at 402-471-3116 or darin.lubke@nebraska.gov. For more information go to opportunity.nebraska.gov. **Please do not contact DOR.**

Fiscal Year Taxpayers. Credit is to be claimed on this form for contributions made during the tax year that begins in 2023. The contribution made to the community betterment organization's approved program must qualify as a charitable contribution deduction on the individual's or business firm's 2023 federal income tax return, or be approved by DED.

Amended Returns. A Form CDN marked "Amended" must be attached to any amended income tax or financial institution tax return if 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.

A 2023 Amended Nebraska Financial Institution Tax Return, Form 1120XNF, must be filed if:

- The financial institution's net financial income or amount of deposits for tax year 2023 are changed by a state or federal regulatory agency; or
- An error was made on the financial institution's original Nebraska Financial Institution Tax Return, Form 1120NF, for 2023.

The 2023 Form 1120XNF can only be filed after the financial institution has filed a Form 1120NF for tax year 2023.

Note: An amended return claiming a refund of tax previously paid must be filed within 90 days after the date the tax was due or paid, whichever date is later; or within 90 days after receiving notification of a change in the amount of net financial income or deposits from a state or federal regulatory agency.

Records. Records regarding contributions must be kept for at least three years after claiming a credit or using a carryover.

Specific Instructions

Part A. All claimants must complete lines 1 through 4 of Part A. An individual, corporation, fiduciary that does not distribute its income currently, or an LLC that is taxed as a corporation, must also complete the remainder of Part A.

Line 1. Enter the amount of the tax credit approved by DED. If no credit was granted in 2023, but Form CDN is being completed to claim unused credit carried forward from 2018 through 2022, enter zero (-0-) on line 1. Complete lines 2 through 15 where applicable.

Line 2. Enter the amount, if any, from line 14 of your 2022 Form CDN, less any unused credit remaining from 2017. Partnerships, S corporations, fiduciaries that distribute income currently, and LLCs taxed as partnerships, must also distribute all credits currently, and therefore must enter zero (-0-).

Line 13. If the total of lines 6 through 12 is larger than the amount on line 5, enter zero on line 13.

Line 15. Subtract line 14 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 of an LLC, who was distributed any of the credit by a partnership, S corporation, fiduciary that distributes its income currently, or LLC, list: the name; address; Nebraska ID number; federal ID number; and your share of the credits from each entity which distributed this credit.

Part C. Each partnership, S corporation, fiduciary that distributes its income currently, or LLC taxed as a partnership must enter: the name; federal ID 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 on line 4 by the percentage share of income or ownership of each partner, shareholder, beneficiary, or LLC member.