

ImagineNE Nebraska Act  
and  
Key Employer and Jobs Retention Act

Joint Report to the Legislature,  
October 29, 2021

Anthony L. Goins,  
Economic Development Director  
and  
Tony Fulton, Tax Commissioner

# ImagiNE Nebraska Act Reporting Requirements

[Neb. Rev. Stat. § 77-6837](#) provides:

Reports; joint hearing.

(1) Beginning in 2021, the director and the Tax Commissioner shall jointly submit electronically an annual report for the previous fiscal year to the Legislature no later than October 31 of each year. The report shall be on a fiscal year, accrual basis that satisfies the requirements set by the Governmental Accounting Standards Board. The Department of Economic Development and the Department of Revenue shall together, on or before December 15 of each year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request.

(2) The report shall list

- (a) the agreements which have been signed during the previous year,
- (b) the agreements which are still in effect,
- (c) the identity of each taxpayer who is party to an agreement, and
- (d) the qualified location or locations.

(3) The report shall also state, for taxpayers who are parties to agreements, by industry group

- (a) the specific incentive options applied for under the ImagiNE Nebraska Act,
- (b) the refunds and reductions in tax 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 credits used against withholding liability,
- (g) the credits used for job training,
- (h) the credits used for infrastructure development,
- (i) the number of jobs created under the act,
- (j) the expansion of capital investment,
- (k) the estimated wage levels of jobs created under the act subsequent to the application date,
- (l) the total number of qualified applicants,
- (m) the projected future state revenue gains and losses,
- (n) the sales tax refunds owed,
- (o) the credits outstanding under the act,
- (p) the value of personal property exempted by class in each county under the act,
- (q) the total amount of the payments,
- (r) the amount of workforce training and infrastructure development loans issued, outstanding, repaid, and delinquent, and
- (s) the value of health coverage provided to employees at qualified locations during the year who are not base-year employees and who are paid the required compensation.

The report shall include the estimate of the amount of sales and use tax refunds to be paid and tax credits to be used as were required for the October forecast under section [77-6839](#).

(4) In estimating the projected future state revenue gains and losses, the report shall detail the methodology utilized, state the economic multipliers and industry multipliers used to determine the amount of economic growth and positive tax revenue, describe the analysis used to determine the

percentage of new jobs attributable to the ImagiNE Nebraska Act, and identify limitations that are inherent in the analysis method.

(5) The report shall provide an explanation of the audit and review processes of the Department of Economic Development and the Department of Revenue, as applicable, in approving and rejecting applications or the grant of incentives and in enforcing incentive recapture. The report shall also specify the median period of time between the date of application and the date the agreement is executed for all agreements executed by December 31 of the prior year.

(6) The report shall provide information on agreement-specific total incentives used every two years for each agreement. The report shall disclose

- (a) the identity of the taxpayer,
- (b) the qualified location or locations, and
- (c) the total credits used and refunds approved during the immediately preceding two years expressed as a single, aggregated total.

The incentive information required to be reported under this subsection shall not be reported for the first year the taxpayer attains the required employment and investment thresholds. The information on first-year incentives used shall be combined with and reported as part of the second year. Thereafter, the information on incentives used for succeeding years shall be reported for each agreement every two years containing information on two years of credits used and refunds approved. The incentives used shall include incentives which have been approved by the director or Tax Commissioner, as applicable, but not necessarily received, during the previous two years.

(7) The report shall include an executive summary which shows aggregate information for all agreements for which the information on incentives used in subsection (6) of this section is reported as follows:

- (a) The total incentives used by all taxpayers for agreements detailed in subsection (6) of this section during the previous two years;
- (b) the number of agreements;
- (c) the new jobs at the qualified location or locations for which credits have been granted;
- (d) the average compensation paid to employees in the state in the year of application and for the new jobs at the qualified location or locations; and
- (e) the total investment for which incentives were granted.

The executive summary shall summarize the number of states which grant investment tax credits, job tax credits, sales and use tax refunds for qualified investment, and personal property tax exemptions and the investment and employment requirements under which they may be granted.

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

# Summary Description

## Program Overview

The ImagiNE Nebraska Act (Act) grows Nebraska by incentivizing businesses who are creating and retaining high-paying jobs in Nebraska, investing capital in Nebraska, and developing the Nebraska workforce.

## Process and Timeline

The Act allows a taxpayer to earn and use tax benefits based on investment and employment growth at their qualified business location or locations. The first step is to [apply electronically](#) and submit an application fee. Upon receipt of the complete application, an application date is established. Investment is counted from the application date and it establishes the base year against which the number of new employees is measured. Once the Director of the Department of Economic Development (DED) approves the application, a written agreement will be produced and presented to the taxpayer for the taxpayer's signature. The Act sets clear deadlines for achieving these milestones.

The ramp-up period begins the date of the application and goes through the end of the fourth year after the year in which the complete application was filed. The taxpayer has until the end of ramp-up period to meet the new employment and investment requirements under the agreement. The performance period begins the year in which the company meets the required employment and investment levels. This is when the taxpayer receives the credits and benefits under the Act. The performance period continues until the end of the sixth year after the year the required increases were met or exceeded. There is a three-year carryover period following the performance period which allows additional time for the use of remaining credits.

## Application Levels

There are eight application levels that have varying requirements for investment and employment. Each offers its own set of benefits for obtaining and maintaining the required employment and investment levels at the taxpayer's qualified location(s). To be considered a qualified location, the majority of business activities conducted at a location must fall under one or more eligible NAICS codes or activities listed in the Act. Equivalent employees are calculated based on the requirements and computation formulas laid out in the Act. Investment is calculated based on the value of qualified property, as defined in the Act, incorporated into or used at the taxpayer's qualified location or locations. For the list of qualified activities, relevant definitions and other information on the ImagiNE Nebraska Act, visit [imagine.nebraska.gov](http://imagine.nebraska.gov).

## Tax Benefits and Use of Credits by Application Level

When businesses meet and maintain required employment and investment levels, they are entitled to the following tax credits and exemptions depending on their application level: wage credits; investment credits; direct refund or exemption of sales and use taxes for qualified property; and personal property tax exemption.

There are many options for using the credits and benefits available under the Act. Wage credits may be used against relevant withholding liabilities. Both wage credits and investment credits may be used to offset income tax, refund sales and use taxes paid, repay infrastructure or job training loans made through the ImagiNE revolving loan program, reimburse qualifying recruitment expenses that result in new employees, and reimburse qualifying expenses for job training and taxpayer-sponsored childcare expenses.

# Department of Economic Development

The Act outlines all application requirements. DED, in conjunction with DOR, developed an online application through which taxpayers can apply. Taxpayers must submit the application and all required information through the online portal. Applicants must also pay the statutorily required application fee for the application to be considered complete. The online application is the first audit measure, as incomplete applications are not accepted.

After submission, DED reviews all application information for completeness and compliance with the program requirements. If DED identifies incomplete or inconsistent information, the taxpayer is given an opportunity to amend the application to ensure compliance with the Act. When the information is complete and all statutory requirements have been met, the application is approved by the Director of Economic Development. DED then prepares an agreement to be signed by the Director and taxpayer as set forth by statute.

## Agreements Signed as of June 30, 2021

(Reporting Required by [Neb. Rev. Stat. § 77-6837\(2\)](#))

Taxpayer Name	Qualified Location(s)		Projected Employment (FTE*)	Projected Investment	Year Signed (Fiscal Year Ending June 30)
Franchise Fastlane, Inc.	16934 Frances St.	Omaha	15	\$ 1,000,000	2021
Eilers Machine & Welding, Inc.	600 E Commerce Rd.	Lexington	5	\$ 1,000,000	2021
Purac America Inc.	650 Industrial Park Dr.	Blair	5	\$ 21,297,000	2021

\*FTE = Full-time Equivalent Employees

The median period between the date of application and the date of agreement is 98 days. This includes days that were statutorily tolled due to delayed applicant responses.

Two agreements are for the Rural Growth and Expansion option and one is for the Growth and Expansion option.

## Department of Revenue

The Act requires an approved applicant to file a return annually, reporting job and investment growth. DOR has developed Form 1107N where this reporting is made. Reported information can be verified from other data, including other records of DOR and Department of Labor. The applicant will establish that it has qualified for benefits and, if applicable, failed to maintain minimum levels through the 1107N and verification process. If necessary, DOR can audit the qualified applicant to establish or assure that the minimum levels are met or maintained.

As of June 30, 2021, taxpayers with agreements have not reported qualified job and investment growth, and no exemptions or credits have been approved.

DOR estimated sales and use tax refunds to be paid and tax credits to be used for all incentive programs for the October 29, 2021 Nebraska Economic Forecasting Advisory Board are:

Fiscal Year 2021-2022	\$172 million
Fiscal Year 2022-2023	\$124 million

# ImagiNE Nebraska Act

## Summary of Tax Incentive Programs in Other States

Reporting Required by [Neb. Rev. Stat. § 77-6837\(7\)](#)

States offer many types of tax incentives for businesses. This report summarizes other states' tax incentives that are similar to the Nebraska model of granting tax incentives. For example, qualifying for tax incentives under the ImagiNE Nebraska Act is not dependent upon the location of a project in an enterprise zone or other limited geographic area. Thus, tax incentives that provide jobs or investment credits to businesses, but only to those who locate in a limited area, are not listed. States that offer tax incentives, but have different qualification levels depending upon geography, are listed provided that a project could qualify, at some level, in every part of the state.

States may also limit qualification for incentives to targeted industries. Nebraska does this, and the report lists those states where incentives are limited to targeted activities. Finally, Nebraska refunds the sales and use tax on qualified investments, but some states refund only a portion of the tax. These states are listed as having a refund. Some states have broader sales and use tax exemptions than Nebraska, but do not provide a refund of any taxes paid. Tax exemptions are outside the scope of this comparison, and tax incentives are not listed if they do not provide at least a partial refund of sales and use taxes paid on qualified investment or they have a threshold for the number of jobs created or the amount of investment amount to get the exemption.

---

The review of the tax incentive programs in other states is as of May, 2021. DOR makes every effort to review the current incentive information from other states; however, DOR is not liable for any of the information in this section used for private or public purposes.

---

### Number of states which grant tax credits and exemptions

- **Job credit:** 41 states
  - **Investment credit:** 36 states
  - **Sales/use tax refund on qualified investment:** 20 states
  - **Personal property tax abatement:** 15 states
- 

## Alabama

**Job credit:** The existing [Alabama Jobs Act](#) allows a 3% refund or credit of prior year wages paid to eligible employees with an additional 0.5% percent credit if 12% or more of the project workforce are veterans. A project must create at least 50 new jobs in a non-targeted county; or 10 new jobs in targeted county, technology company or underrepresented company; or create new jobs but are not subject to the minimum job creation requirements in some industries.

**Investment credit:** The same number of the jobs are required as the Job credit. The investment incentive is a credit up to 1.5% of the qualified capital investment expenses.

### Sales/use tax refund on qualified investment:

- There is no threshold or limiting investment for a new sales tax abatement project.
- The additional capital investment by an industry that is expanding their current facilities in Alabama must be equal to the lesser of —
  - 30% of the original cost of the currently existing industrial property or
  - \$2 million
- Data processing centers are eligible to receive abatements as follows:
  - Sales tax abatement for 10 years for projects that invest up to \$200 million.
  - Sales and use tax abatement for 20 years for projects that invest more than \$200 million but less than \$400 million within 10 years.

Personal property tax abatement: Qualifying industries can receive an abatement on the state and local non-educational portion of the property tax on the real and personal property for up to a 20 years, data centers can be abated up to 30 years

---

## Alaska

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## Arizona

**Job and investment credit:**

### **Quality Jobs**

- In metro areas, at least 25 jobs must be created with a minimum capital investment of \$500,000.
- In rural areas, at least 5 jobs must be created with a minimum capital investment of \$100,000.
- Both programs require the jobs to pay 100% of the median county wage.

### **Qualified Facility**

- Firms must:
  - Make capital investment of at least \$250,000 to establish or expand a facility that devotes at least 80% of its space and payroll to manufacturing, R&D, or headquarters functions;
  - Create net new jobs of which at least 51% are paid 125% of the state's median wage if located in an urban area or 100% of the state's annual median wage if located in a rural area; and
  - Offer to pay at least 65% of health insurance premiums for all new net full-time employment.

**[Sales/use tax refund on qualified investment](#)**: Firms investing in data centers may be eligible for this. They can get an exemption from the Transaction Business Privilege Tax and Use Tax when investing between at least \$25 million or \$50 million or \$250 million in a data center, depending on location.

**Personal property tax abatement**: None

---

## Arkansas

**[Job credit](#)**: Advantage Arkansas Income Tax Credit offers credits for job creation based on payroll of new, full-time, permanent employees.

The credit against state income tax depends on region of state and payroll thresholds:

- Payroll threshold of \$125,000 in Tier 1
- Payroll threshold of \$100,000 in Tier 2
- Payroll threshold of \$75,000 in Tier 3
- Payroll threshold of \$50,000 in Tier 4
- Jobs must pay a wage equal or greater than the lowest county average wage
- Must be engaged in a specific industry as listed

**[Investment credit](#)**: [ArkPlus](#) is available in “highly competitive situations” that credits 10% of total investment to state income tax liability by regional tier and level of payroll.

- Tier 1: Minimum investment of \$5 million and minimum payroll of \$2 million
- Tier 2: Minimum investment of \$3.75 million and minimum payroll of \$1.5 million
- Tier 3: Minimum investment of \$3 million and minimum payroll of \$1.2 million
- Tier 4: Minimum investment of \$2 million and minimum payroll of \$0.8 million

**[Sales/use tax refund on qualified investment](#)**:

Tax Back Sales and Use Tax Refund

- The Tax Back program provides sales and use tax refunds for building materials and taxable machinery and equipment associated with approved project.

**Personal property tax abatement**: None

---

## California

**Job credit**:

- The [California Competes Tax Credit](#) is based on the number of jobs created, opportunity for future growth, compensation paid to employees, and a number of other factors.
- [New Employment Credit](#) requires the employer to hire a qualified employee and pay qualified wages.

**Investment credit**: None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## Colorado

**Job credit:**

- [Job Growth Incentive Tax Credit](#) is available for businesses creating at least 20 new jobs with wages 100% of county average.
- [Job Growth Incentive Tax Credit-Higher Education Partnership](#) is available for businesses partnering with State Higher Education Institutions and creating at least 5 new jobs with wages 100% of state average.

**Investment credit:** [Advanced Industries Investment Credit](#) encourages investments in Colorado advanced industries businesses by providing tax credits to investors. The investor need to invest at least \$10,000 to be qualified this tax credit.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** At the discretion of the city or county government.

---

## Connecticut

**Job credit:** None

**Investment credit:**

- [Machinery and Equipment Expenditure Tax Credit](#) allows for 10% credit for increased investment in machinery and equipment for companies with 250 or fewer employees, 5% credit for companies with 251 to 800 employees in Connecticut.
- 5% credit for [fixed capital investment](#) in tangible personal property.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** [Electronic Data Processing Equipment Property Tax Credit](#) is available for 100% of the personal property tax owed and paid on electronic data processing equipment.

---

## Delaware

**Job and investment credit:**

- The [Blue Collar Job Act](#) – Eligible businesses that (1) are engaged in a qualified activity; (2) hire five or more qualified employees; and (3) make an investment of at least \$200,000 (\$40,000 per qualified employee) in a qualified facility. For qualified investments of at least \$1 million in manufacturing, wholesaling, or aviation

service, an alternative investment tax credit is available. For telecommunications services and banking, they are required to hire 50 employees and make an investment of \$15,000.

**Sales/use tax refund on qualified investment:** No sales tax

**Personal property tax abatement:** None.

---

## Florida

**Job and investment credit:**

- [The Qualified Target Industry Tax Refund](#) allows for tax refunds from \$3,000 to \$6,000 per job created depending on the industry, location, and salary provided for each job created.
- [The Capital Investment Tax Credit](#) is available for specific industries that create at least 100 jobs and invest at least \$25 million in capital costs.
- [Rural Job Tax Credit Program](#) and [Urban Job Tax Credit Program](#) are also available for eligible businesses located within designated qualified areas to create new jobs.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

## Georgia

**Job credit:**

- Firms creating jobs in specific industries can earn the [Job Tax Credit](#) based on the following criteria —
  - In tier 1, 2 jobs must be created, which can offset 100% of income tax liability
  - In tier 2, 10 jobs must be created, which can offset 100% of income tax liability
  - In tier 3, 15 jobs must be created, which can offset 50% of income tax liability
  - In tier 4, 25 jobs must be created, which can offset 50% of income tax liability
  - Each credit can be carried forward ten years
- A firm creating jobs that pay higher-than-average wages may qualify for a [Quality Jobs Tax Credit](#). The credit varies by the wage paid. Firms must create at least 10 or 25 or 50 jobs to qualify depending on the Tier status and location.

**Investment credit:**

- Manufacturers and telecommunication companies that have been in the state for at least three years and making qualified capital investments of at least \$100,000 may qualify for an Investment Tax Credit.
- The size of credit depends on Tier status.
- [A Mega Project Tax Credit](#) is available to firms with a minimum payroll of \$150 million or that make a minimum investment of \$450 million, and hire at least 1,800 net new employees.

Companies meeting both requirements may claim a tax credit of \$5,250 per job per year for the first five years of each net new position.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## Hawaii

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Personal property is not taxed

---

## Idaho

**Job credit:**

- The [Idaho Tax Reimbursement Incentive](#) is available for a broad range of industries, to be qualified, 20 jobs must be created for rural areas and 50 jobs for urban centers.

**Investment credit:**

- [Idaho Business Advantage](#) — a \$500,000 investment in new facilities and creation of at least 10 new jobs paying an average of \$40,000 annually.
- [3% Investment Tax Credit](#) — Firms that make qualifying new investments may earn an income tax credit offsetting up to 50% of their income tax liability.

**Sales/use tax refund on qualified investment:** [Idaho Business Advantage](#) provides up to a 25% rebate on sales taxes paid for qualifying firms. New [data centers](#) will be eligible for sales tax exemption on qualified equipment and construction materials if create 30 new jobs and invest \$250 million within 5 years.

**Personal property tax abatement:**

- County commissioners may authorize a full or partial property tax exemption when qualifying firms invest at least \$3 million in new [manufacturing](#) facilities.
  - Business investing at least \$500,000 in new or existing non-retail, commercial or industrial facilities may qualify for property tax exemption.
- 

## Illinois

**Job credit:**

- The [EDGE Agreements](#) and [High-Impact Business Tax Credit](#) allow job creation credits.

**Investment credit:**

- The [EDGE Agreements](#) allow tax credits to firms with more than 100 employees that invest at least \$2.5 million in capital improvements, and create the lesser of 10% of world-wide employment or at least 50 jobs.
- For a company with 100 or fewer employees, the company must agree to create the lesser of at least 50 full-time jobs or 5% of the employment in Illinois.
- Qualification for a [High Impact Business Tax Credit](#) requires that a business invest a minimum of \$12 million in capital investment causing the creation of 500 full-time jobs, or an investment of \$30 million causing the retention of 1,500 full-time jobs, a qualified new electric generating facility, production operations at a new coal mine, a new or upgraded transmission facility that supports the creation of 150 Illinois coal-mining jobs, a newly constructed gasification facility, or certain wind energy facilities.

**Sales/use tax refund on qualified investment:** none

**Personal property tax abatement:** None

---

## Indiana

**Job credit:**

- The [Economic Development for a Growing Economy \(EDGE\)](#) provides corporate income tax credit to businesses to support jobs creation, and capital investment.
- The [Headquarters Relocation Tax Credit](#) allows a credit against the corporation's state tax liability for costs incurred in relocating the headquarters. Annual worldwide revenue must be at least \$50 million, and the corporation must employ at least 75 employees in Indiana.

**Investment credit:**

- The [Hoosier Business Investment Tax Credit](#) provides a credit against corporate income tax based on an analysis of the economic benefits of the proposed investment and the applicant must demonstrate net new jobs added.
- The [Economic Development for a Growing Economy Tax Credit](#) provides tax credits for creating net new jobs performing tasks not previously performed by the applicant in Indiana using similar criteria to judge eligibility.

**Sales/use tax refund on qualified investment:** Refund of sales and use tax paid on [R&D equipment](#) only.

**Personal property tax abatement:** None

---

## Iowa

**Job credit:**

- The [High Quality Jobs Program](#) requires businesses to meet wage threshold requirements.
- The size of the credit depends on the quality of the job, generosity of health insurance benefits, etc.
- The [New Jobs Tax Credit](#) is a credit available to companies that expand their Iowa employment base by 10% or more and participate in the New Jobs Training Program.
- This one-time tax credit is dependent on the wages a company pays and the year the credit is first claimed. The maximum credit will be \$1,896 per new employee in 2020 and \$1,944 per new employee in 2021.

**Investment credit:**

- The [High Quality Jobs Program](#) requires businesses to meet investment threshold requirements.
- Thresholds are bracketed by investments less than \$100,000; \$100,000 to \$499,999; and \$500,000 and over.
- There is an additional threshold of \$10 million or more.

**Sales/use tax refund on qualified investment:** Sales tax refunds are associated with the [High Quality Jobs Program](#) for companies with at least \$100,000 level of investment.

**Personal property tax abatement:** At the discretion of the city or county government.

---

## [Kansas](#)

**Job credit:**

- Firms can retain income tax withholding by creating at least ten jobs within two years in urban areas or five new jobs elsewhere in [the Promoting Employment Across Kansas program](#).
- [High impact projects](#) that create at least 100 new jobs can retain a higher share of income tax withholding.

**Investment credit:**

- The [High Performance Incentive Program](#) allows for a 10% corporate income tax credit.
- Firms must invest at least \$1 million in five metro counties or \$50,000 elsewhere.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** At the discretion of the city or county government.

---

## [Kentucky](#)

**Job and investment credit:**

- The [Kentucky Business Investment](#) program requires participants to create a minimum of 10 new jobs subject to wage and benefit requirements and invest a minimum of \$100,000.
- The [Kentucky Small Business Tax Credit Program](#) provides for a tax credit to small businesses that hire at least one person and invest at least \$5,000 in qualifying equipment /technology.
- The [Kentucky Reinvestment Act](#) provides tax credits to firms that are engaged in manufacturing and related functions investing at least \$2.5 million and maintaining 85% of the full-time employment level at the facility.

**Sales/use tax refund on qualified investment:**

- Available to participants of the [Kentucky Enterprise Initiative Act](#) who invest at least \$500,000.

**Personal property tax abatement:** None

---

## Louisiana

**Job credit:** The [Quality Jobs Program](#)

- Must meet a minimum annual payroll threshold for new direct jobs of \$225,000 for firms with 50 or less employees or \$675,000 for firms with more than 50 employees.
- The employer must create a minimum of 5 net new jobs for firms with 50 or less employees or 15 new jobs for firms with more than 50 employees.
- Reward is a cash rebate up to a 6% of annual gross payroll for up to 10 years.
- Must be in favored industry, or distressed region, or have 50% of sales out-of-state.

**Investment credit:** None

**Sales/use tax refund on qualified investment:**

- Sales and use tax rebate is associated with the [Quality Jobs Program](#) on capital expenses or a 1.5% investment tax credit for qualifying expenses.

**Personal property tax abatement:**

- The [Industrial Tax Exemption](#) allows a property tax abatement for industries in certain NAICS codes who engage in new capital investments in the state.
- 

## Maine

**Job and investment Tax credit:**

- [Pine Tree Development Zone Tax Credit](#) is available for certain business that hire at least one employee.
- [Employment Tax Increment financing program](#) allows businesses that hire 5 or more new employees by refunding from 30-80% of the withholding taxes.
- [Major Business Headquarters Expansion Program \(MBHQ\)](#) allows a 2% of the qualified investment for a period up to 20 years if business headquarters are or will be located in Maine make a qualified investment \$35 million and employs at least 5,000 full-time employees worldwide, of which at least 25% are or will be based in Maine.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

# Maryland

## Job credit:

- The [Job Creation Tax Credit](#) provides a per-job tax credit of up to \$3,000 to businesses that create new jobs, and up to \$5,000 to businesses creating jobs in revitalization areas.
- They must create at least 60 full-time jobs within 24 months, or 10 new jobs in some counties, or 25 jobs in Priority Funding Areas.
- Qualified positions are full-time and pay at least 120% of state minimum wage.
- The business must be engaged in an eligible activity.

## Investment credit:

- The [Biotechnology Investment Incentive Tax Credit](#) is allowed to individuals or entities that invest at least \$25,000 in a qualified Maryland biotechnology company.
- The [Cybersecurity Investment Incentive Tax Credit](#) is allowed to firms that invest at least \$25,000 and have fewer than 50 employees.

## Sales/use tax refund on qualified investment:

- [More Jobs for Marylanders – Manufacturing Tax credit](#) allows a refund of sales and use tax if new manufacturers to locate in Maryland and existing manufacturers to expand their workforce.
- New and existing manufacturers in Tier 1 counties create 5 jobs.
- Existing manufacturers in Tier 2 counties create 10 jobs.

Personal property tax abatement: None

---

# Massachusetts

## Job credit:

- The [Economic Development Incentive Program](#) provides tax credits to firms that commit to retaining and/or creating jobs.
- [Life Science Company Jobs Credit](#) is available for a business in the life sciences industry that creates at least 50 new jobs may be eligible for a corporate income tax credit. If the value of the jobs credit exceeds tax liability, up to 90% of the remaining credit will be refunded.

Investment credit: [Massachusetts Investment Tax Credit](#) offers a 3% credit for qualifying businesses for Massachusetts corporate excise tax used during the purchase or lease of a property.

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

---

# Michigan

Job and Investment credit:

- [Michigan Business Development Program](#) is available to eligible businesses that create at least 50 qualified new jobs, or create at least 25 qualified new jobs if a project is in a rural county or qualifies as a high-technology activity, or provides investment.
- [Good Jobs for Michigan Program](#) is available to eligible businesses that create at least 3000 new jobs, create at least 500 new jobs, or create 250 new jobs depending on the average annual wage paid.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:**

- [Personal Property Tax Relief in Distressed Communities](#) allows distressed communities, county seats and certain border county communities to abate personal property taxes on new investments made by eligible businesses.
- [Industrial Property Tax Abatement](#) provide incentives for eligible businesses to make new investments.

## Minnesota

**Job credit:** None

**Investment credit:**

- [Research and Development Tax Credit](#) allows for a 10% tax credit for the first \$2 million in investment, and 2.5% for investment in excess of \$2 million.
- [SEED Capital Investment Credit Program](#) allows for a 45% tax credit on their investment in Minnesota border cities.

**Sales/use tax refund on qualified investment:** [Greater MN Job Expansion Program](#) allows sales tax refunds on the purchases of qualified equipment if employment is increased 10% or at least 2 full time equivalent employees, compensation requirements are met, and the company participates in a traded sector.

Firms that build data or network operation centers of at least 25,000 square feet and invest \$30 million in the first four years of a [Data Center Sales Tax Incentives](#) may qualify for a sales tax exemption.

**Personal property tax abatement:** At the discretion of the city or county government.

## Mississippi

**Job credit:**

- [Jobs Tax Credit](#) provides for tax credits with ranges from 2.5% to 10% of payroll for firms in certain industries who create 10, 15 or 20 jobs based on Tier rankings in certain regions of the state.
- The [Advantage Jobs Incentive Program](#) provides income tax withholding rebates to firms in certain industries hiring employees that pay above the average wage level of the county and provide basic health benefit plans.
- Qualified businesses that provide an average wage of 110% of the average county or state wage and creates 25 new full-time jobs, or data and information processing firms that pay 100% of the average state or county wage and create 200 new jobs may qualify.

**Investment credit:** The [Manufacturing Investment Tax Credit](#) requires existing participating manufacturers to invest \$1 million in buildings and/or equipment and receive an investment tax credit equal to 5% of the eligible investment.

**Sales/use tax refund on qualified investment:** The following industries may qualify for sales tax exemptions when given qualifications are met —

- [Mississippi Aerospace Industry Enterprises Program](#) that create at least 25 full time jobs and invest at least \$25 million.
- [Data centers](#) involving at least 20 new jobs, \$20 million in investment, with jobs paying 125% the average state wage.
- [New headquarters](#) that create 20 new HQ jobs.
- [Clean Energy](#) businesses that create 250 new full time jobs and invest \$50 million.

**Personal property tax abatement:** A number of property tax exemptions may be granted at the local level by county or municipal governments.

---

## Missouri

**Job credit:**

- The [Missouri Works Program](#) allows income tax withholding credits for new job creation – 2 jobs and invest \$100,000 at 80% or 90% of county average wage, 10 jobs at 90% county average wage, 100 jobs at 120% or 140% average county wage.
- [Missouri Quality Jobs Program](#) provides benefits for companies creating at least 20 new jobs in rural counties or 40 new jobs in non-rural counties within two years. Technology business projects must create at least 10 jobs. High impact projects must create at least 100 jobs.
- [The Business Facility Tax Credit Program](#) provides tax credits to facilitate the expansion of their headquarters in the state. The facility must create at least 25 new jobs and make \$1 million investment for headquarters of certain employee-owned business.

**Investment credit:** The [Missouri BUILD Program](#) allows a tax credit for firms in eligible industries who invest a minimum of \$15 million, or \$10 million for an office industry, and create at least 100 jobs, 500 jobs if the project is an office industry, or 200 new jobs for an “office industry” in a distressed location.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## Montana

**Job credit:** Through the [New/Expanded Industry Credit](#), manufacturers who increase employment by 30% are eligible for a tax credit equal to 1% of the wages paid to new employees.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** No sales tax

**Personal property tax abatement:** [Property tax abatements](#) result in a reduction in the taxable value of the property. There are varieties of incentives available to reduce taxable values or apply a reduced rate.

---

## Nevada

**Job credit:** See below

**Investment credit:** See below

**Sales/use tax refund on qualified investment:** [Sales and Use Tax abatement](#) is available for approved businesses that complete two of the three requirements: A capital investment of \$1 million in urban areas or \$250,000 in rural areas; 50 urban jobs created or 10 in rural areas, and certain wage requirements must be met. [Data Center Abatement and Aviation Parts Abatement](#) available with jobs, investment and wage requirements.

**Personal property tax abatement:** See [details here](#). To qualify, a firm must complete two of the three requirements: \$5 million investment for manufacturing facilities or \$1 million investment for any other facility in urban area; or \$1 million investment for manufacturing facilities or \$250,000 for any other facility in rural area; 50 jobs created in urban areas or 10 in rural areas; and certain wage requirements must be met. [Data Center Abatement](#) and [Aviation Parts Abatement](#) available with jobs, investment and wage requirements.

---

## New Hampshire

**Job credit:** [Coos County Job Creation Tax Credit](#) is awarded to businesses hiring at least one employee for new, full-time positions that pay wages 150% higher than the current state minimum wage.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

## New Jersey

**Job credit:** [Emerge Program](#) provides businesses that are creating jobs for tax credits ranging from minimum \$500 to \$4,000 depending on the location per job, per year if businesses meet some certain job and capital investment requirements.

**Investment credit:** [Angel Investor Tax Credit Program](#) allows business 20% of the qualified investment made in a NJ emerging technology business up to \$500,000 for each qualified investment.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## New Mexico

**Job credit:**

- [High Wage Jobs Tax Credit](#) provides 8.5% of wages and benefits paid for each job created to employers who create jobs that pay at least \$60,000 in a community with a population greater than 60,000 and \$40,000 in a community with a population less than 60,000.
- [Rural Job Tax Credit](#) is available to manufacturers and non-retail service companies that locate in rural communities and create jobs.

**Investment credit:** New Mexico [Investment Tax Credit for manufacturers](#) has no minimum investment threshold specified but companies need to meet the applicable employment requirements.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Firms can abate personal property taxes through industrial revenue bonds at the discretion of the local government.

---

## New York

**Job and investment credit:** Firms in the [Excelsior Jobs Program](#) may qualify for refundable tax credits.

- [Excelsior Jobs Tax Credit](#): A credit of 6.85% of wages per net new job.
- [Excelsior Investment Tax Credit](#): Valued at 2% of qualified investments.
- To qualify for the credits, some certain specific type of the firms need to create 5-100 jobs or create at least 150 new jobs and invest at least \$3 million for other types of firms.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Personal property is not taxed.

---

## North Carolina

**Job credit:**

- The [Job Development Investment Grants](#) (JDIG) are available for firms creating opportunities and net increases in employment with no specified minimum threshold for investment or employment.
- JDIG also has a [High-Yield Project provision](#) for any firms that creates 1,750 jobs and invests \$500 million. Additionally, JDIG has a [Transformative Project provision](#) for any firms that creates 3,000 jobs and invests \$1 billion.

**Investment credit:**

- The [Job Maintenance and Capital Development fund](#) allows grants for businesses that have at least 2,000 employees, and invest \$200 million in capital improvements, or have 320 employees, and invest \$65 million for large manufacturing employers.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## North Dakota

**Job credit:** None

**Investment credit:**

- The [Agricultural Commodity Processing Facility Investment Tax Credit](#) allows for a 30% credit on investment in equipment, property, etc.
- Seed Capital Investment Tax Credit Program provides an income tax credit for making an investment in a qualified business. The credit is equal to 45% of the investment.

**Sales/use tax refund on qualified investment:** A sales and use tax exemption and refund may be granted for machinery or equipment used to produce [coal](#).

**Personal property tax abatement:** Personal property is not taxed.

---

## Ohio

**Job credit:** The [Ohio Job Creation Tax Credit](#) is available to businesses that create at least 10 new full-time jobs at a facility in Ohio and pay 150% of the federal minimum wage.

**Investment credit:** [Research and Development Investment Tax Credit](#) provides a credit equal to 7% of the amount of qualified research expenses.

**Sales/use tax refund on qualified investment:** The [Data Center Tax Abatements](#) provide a sales-tax exemption rate and term that allows for partial or full sales tax exemption on the purchase of eligible data center equipment. Projects must meet minimum investment and payroll thresholds to be eligible.

**Personal property tax abatement:** None

---

## Oklahoma

**Job credit:**

- The Quality Jobs Program is open to manufacturers and some service firms with new payroll of \$2.5 million or more. A lower payroll threshold of \$1.5 million is available for food processors and R&D projects.
- The Small Employer Quality Jobs Program allows small businesses with 500 or fewer employees that create between 5 and 15 new jobs to receive a 5% cash back incentive for seven years.
- 21st Century Quality Jobs requires the creation of 10 jobs with some annual wage requirements, depending on the county.
- Both programs require minimum wage and health coverage requirements.

### Investment credit:

- The Investment/New Jobs Tax Credit package allows qualifying firms to choose the tax credit based on level of investment or new employees. The minimum investment is \$50,000 in depreciable property.
- Quality Jobs + Investment Tax Credit is available for manufacturers who invest at least \$40 million in addition to creating skilled jobs.
- Business Expansion Incentive Program assists Oklahoma firms making major qualified capital investments by giving annual cash payment awards.

### Sales/use tax refund on qualified investment: Sales tax refunds are available for qualified activities:

- The purchase of computers and data processing equipment.
- Construction materials for certain new or expanding manufacturing facilities if:
  - construction costs exceed \$5 million and create 100 jobs;
  - combined total costs exceed \$50 million and create 75 jobs;
  - facilities with construction cost exceed \$300 million and maintain employment level of at least 1,750; or
  - construction cost at least \$5 million and create 250 jobs for qualified new or expanding aircraft maintenance and overhaul facilities.

**Personal property tax abatement:** None

---

## Oregon

### **Job credit:**

- The [Oregon Investment Advantage](#) allows firms who set up operations in an eligible county and create at least 5 jobs in an industry that is “first of its kind” and does not compete with another firm in the area
- The credit is against income tax liability.
- [Business Expansion Program](#) is available for firms that create at least 50 jobs and already have at least 150 employees with some annual pay requirements.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** No sales tax

**Personal property tax abatement:** None

---

## Pennsylvania

### **Job credit:**

- The [Job Creation Tax Credit](#) allows a \$1,000-per-job tax credit to create new jobs. Firms must create at least 25 new jobs or expand their workforces at least 20%.
- Manufacturing Tax Credit provides tax credits to taxpayers who increase their annual taxable payroll by \$ 1 million through the creation of new job.

**Investment credit:**

- [Qualified Manufacturing Innovation & Reinvestment Deduction](#) allows qualified manufacturing firms to deduct 5% of their private capital investment from their corporate net income tax liability if they invest at least 100 million in the creation of new or refurbished manufacturing capacity.
- [Rural Jobs and Investment Tax Credit Program](#) is available if firms invest at least \$100 million in rural areas of the commonwealth or other states.

**Sales/use tax refund on qualified investment:** [Computer Data Center Equipment Incentive Program](#) provides a tax refund for sales and use tax paid on qualified computer data center equipment.

**Personal property tax abatement:** None

---

## Rhode Island

**Job credit:** [Qualified Jobs Incentive Tax Credit](#) allows firms to receive tax credits for up to 10 years. The minimum number of new jobs needed to qualify varies by industry and company size, can be 10 jobs.

**Investment credit:** Provides for a 10% [investment tax credit](#) depending on the NAICS code of the business and meeting certain wage levels or invest amounts.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## South Carolina

**Job credit:**

- [Job Tax Credit](#) is available if qualified firms create monthly average jobs as described below:
  - 175 jobs;
  - 100 jobs if the average compensation is 1.5 times county or state average, whichever is lower;
  - 50 jobs if the average compensation is 2 times county or state average, whichever is lower;
  - 25 jobs if the average cash compensation for jobs is 2.5 times county or state average, whichever is lower;
  - 150 jobs in a building that has been vacant for at least 12 months; or
  - 10 jobs in a Tier IV County.
  - For some certain industries creating two jobs could qualify for the Small Business Job Tax Credit.
- To qualify for the [Corporate Headquarters Tax Credit](#), a firm must hire 40 employees that are engaged in corporate headquarters or research and development. At least 20 of these jobs must be classified as staff employees.

**Investment credit:** Manufacturers locating or expanding in South Carolina may take a one-time credit of up to 2.5% when production equipment is purchased.

**Sales/use tax refund on qualified investment:** Construction materials will be exempt from sales tax if the company invests at least \$100 million. Technology intensive materials may qualify for exemptions in specified industries if \$300

million is invested and at least 100 new jobs are created. Data centers may earn a sales tax exemption if \$50 million is invested and 25 new jobs are created.

**Personal property tax abatement:** None

---

## South Dakota

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Personal property is not taxed

## Tennessee

**Job credit:** The Job Tax Credit requires 25 new jobs and investment of at least \$500,000 in a qualified business enterprise or 10 jobs paying the state's average occupational wage in certain area. [Enhanced Job Tax Credit](#) allows an additional annual credit if the company creates jobs 10-25 based on Tier level.

**Investment credit:** Industrial machinery purchases can earn 1% to 10% tax credits.

**Sales/use tax refund on qualified investment:**

- HQs receive a non-expiring sales tax credit of 6.5% for qualified personal property.
- Warehouse/Distribution receives sales tax exemption if investing \$10M.
- Call Centers receive a tax exemption if at least 250 jobs are created.
- Data Centers can get sales tax exemption if investing \$100M and creating 15 new jobs paying at least 150% of the state's average occupational wage.

**Personal property tax abatement:** None

---

## Texas

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:** The [sales tax exemption for qualified data centers](#) is available for operators who agree to create at least 20 new jobs and invest \$200 million in the data center over five years.

**Personal property tax abatement:** None

---

## Utah

### Job credit:

- [The Industrial Assistance Fund](#) requires firms to create at least 50 jobs in urban counties and pay 110% of urban county average wage or 110% of the rural county average wage. Approval from local economic development authorities is required.
- [EDTIF Tax Credit](#) provides up to 30% tax credit if firms creating at least 50 jobs in urban counties and pay 110% of urban county average wage or 110% of rural county average wage.

**Investment credit:** [Life Science and Technology Tax Credits](#) allows 35% of the investment if invest at least \$25,000 and do not have more than a 30% ownership interest in the business entity at the time of investment. [New Market Tax Credit program](#) is an effective tool used to attract private capital investment.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## Vermont

### Job credit: [Vermont Employment Growth Incentive Program](#)

- Full-time jobs created and paid 160% or 140% of Vermont minimum wage.
- Credit is a cash payment and not credit against income tax liability.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## Virginia

### Job credit:

- The [Major Business Facility Job Tax Credit](#) allows qualified companies locating or expanding in VA to receive a \$1,000-per-job tax credit for each new full-time job created. A firm located in a distressed area and enterprise zones must meet 25-job threshold, located in other areas have a 50-job threshold.
- [Green Job Creation Tax Credit](#) allows a credit against the Virginia personal or corporate income tax for each new green job created.
- [Part of Virginia Economic & Infrastructure Development Grant](#) allows a cash grant if the entity creates at least 25 new jobs. The cash grant range is \$1,000 to \$3,000 per job.
- [Virginia New Jobs Program](#) requires firms that have more than 250 employees to create at least 25 new jobs and invest at least \$1 million.
- [Small Business New Jobs](#) Program requires the companies that have 250 or fewer employees to create at least five new jobs and invest \$100,000.

- [Major Eligible Employer Grant](#) allows a grant if employers make a capital investment of at least \$100 million and create at least 1,000 new jobs or 400 jobs if the average pay is at least twice the locality's prevailing average wage.

**Investment credit:**

- The [Commonwealth's Opportunity Fund](#) can be made available in highly competitive situations and requires minimum capital investment, job creation, and wage requirements with matching commitment from the municipality.
- [Virginia Investment Performance Grant](#) is available for firms making at least \$25 million in investment and maintaining stable employment levels.
- [Major Eligible Employer Grant](#) available for firms investing at least \$100 million and creating at least 1,000 new jobs or 400 jobs.
- [Virginia Economic Development Incentive Grant](#) available for firms who create 400 jobs paying at least 150% greater than local wage, or 300 jobs at double the local wage, and make a capital investment of at least \$5 million, or \$6,500 per job if a firm locating in a metropolitan statistical area; in other areas need to create 200 jobs and paying 150% greater than the local wage and make a capital investment of \$6,500 per job.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Offered at the local level for certain industries and types of equipment ([P.25](#)).

---

## Washington

**Job credit:** [Rural County/CEZ Business and Occupation \(B&O\) Tax Credits](#) allows firms in specific industries and located in the rural counties to receive a credit when increasing in-state employment by 15%.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**[Personal property tax abatement:](#)** None

---

## West Virginia

**Job credit:**

- The [High-Tech Manufacturing credit](#) allows firms that manufacture computers and components and create at least 20 new jobs within a year to receive a credit to offset liability in a variety of tax programs.
- [The Corporate Headquarters Credit](#) allows tax credits to a firm that relocates the headquarters to the state and creates 15 new jobs including the relocated employees.
- [The Economic Opportunity Credit](#) allows a credit to offset income tax liability for firms creating at least 20 new jobs within specified time limits, or 10 new jobs for smaller businesses.

**Investment credit:** The [Manufacturing Investment Credit](#) is allowed against up to 60% of corporate income tax based on qualified investment in eligible manufacturing property, with no new job creation required.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Special real and personal property tax valuations are available to firms in specified NAICS industries.

---

## Wisconsin

**Job credit:**

- The [business development credit](#) is available for those who are or intend to operate a business in Wisconsin, which is capped at 10% of wages and an additional 5% of wages if the eligible employee is employed in a distressed area.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

---

## Wyoming

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:**

- \$5 million investment required in capital infrastructure in addition to \$2 million investment in data center equipment and software purchases results in a sales and use tax exemption on qualifying computer equipment.
- \$50 million capital infrastructure investment in data center.

**Personal property tax abatement:** None

# Key Employer and Jobs Retention Act Reporting Requirements

[Neb. Rev. Stat. § 77-6521](#) provides:

Reports; joint hearing.

(1) The Department of Economic Development and the Department of Revenue shall jointly submit electronically an annual report to the Legislature no later than October 31 of each year. The report shall be on a fiscal year, accrual basis that satisfies the requirements set by the Governmental Accounting Standards Board. The Department of Economic Development and the Department of Revenue shall together, on or before December 15 of each year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members must be provided within thirty days after the request.

(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, and
- (c) the identity of each taxpayer that is a party to an agreement.

(3) The report shall provide information on agreement-specific total credits used every two years for each agreement. The report shall disclose the identity of the taxpayer and the total credits used during the immediately preceding two years, expressed as a single, aggregated total. The information required to be reported under this subsection shall not be reported for the first year the taxpayer maintains the required employment threshold. The information on first-year credits used shall be combined with and reported as part of the second year. Thereafter, the information on credits used for succeeding years shall be reported for each agreement every two years containing information on two years of credits used.

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

## Program Overview

The Key Employer and Jobs Retention Act (Act) provides a wage retention credit for key employers who:

- 1) employ at least 1,000 equivalent employees in Nebraska during the base year;
- 2) offer full time employees healthcare and benefits;
- 3) have gone through a change in ownership and control within the 24 months immediately prior to the application;
- 4) are at risk of moving more than 1,000 existing equivalent employees from the State;
- 5) retain at least 90% of their base-year employees, and;
- 6) are a qualified business.

The wage retention credit earned is 5% of the total compensation paid to the taxpayer's Nebraska employees who are paid wages of at least 100% of the Nebraska statewide average hourly wage. The amount of credits cannot exceed \$4 million per year, or \$40 million total over ten years. Credits can be used to offset withholding or income tax liabilities.

## Program Activity

On March 31, 2021, the Department of Economic Development signed an agreement with Fiserv Inc., and the agreement is currently in effect.

The deadline for applications was May 31, 2021; there will be no additional agreements under the Act without further authorization from the Legislature.

As of June 30, 2021, no credits have been approved under the Act.