

# Incentive Withholding Worksheet

|   |                    |
|---|--------------------|
| Name of Taxpayer (Entity filing Forms 941N or W-3N) | Withholding Period |
|---|--------------------|

## Section A: Nebraska Advantage Act

|                   |                  |              |                |
|-------------------|------------------|--------------|----------------|
| Name of Applicant | Application Date | Project Name | Project Number |
|-------------------|------------------|--------------|----------------|

### Calculation of Withholding Ratio (Prior Year \_\_\_\_/\_\_\_\_/\_\_\_\_)

|  |          |  |
|--|----------|--|
| 1 Project average compensation (Form 312N, Schedule A, line 12) . . . . .                        | <b>1</b> |  |
| 2 Full-time equivalent employee growth at the project (Form 312N, Schedule A, line 11) . . . . . | <b>2</b> |  |
| 3 Computed annual compensation of new employees (line 1 multiplied by line 2) . . . . .          | <b>3</b> |  |
| 4 Total compensation (Form 312N, Schedule A, line 17) . . . . .                                  | <b>4</b> |  |
| 5 Withholding ratio (line 3 divided by line 4) . . . . .   | <b>5</b> |  |

### Calculation of Retained Withholding

|  |           |  |
|--|-----------|--|
| 6 Withholding for this period. . . . .   | <b>6</b>  |  |
| 7 Withholding credit limitation  |           |  |
| a Compensation credit not previously used . . . . .  | <b>7a</b> |  |
| b Amount attributable to number of new employees at project (line 5 x line 6) . . . . .      | <b>7b</b> |  |
| 8 Nebraska Advantage compensation credit used (may not exceed lesser of 7a and 7b) . . . . . | <b>8</b>  |  |

## Section B: Invest Nebraska Act

|                   |                  |              |                |
|-------------------|------------------|--------------|----------------|
| Name of Applicant | Application Date | Project Name | Project Number |
|-------------------|------------------|--------------|----------------|

### Calculation of Withholding Ratio (Prior Tax Year \_\_\_\_/\_\_\_\_/\_\_\_\_)

|  |           |  |
|--|-----------|--|
| 9 Compensation paid to project employees                                     |           |  |
| a Base year employees . . . . .  | <b>9a</b> |  |
| b Non-base year employees. . . . .   | <b>9b</b> |  |
| 10 Compensation paid to non-project employees . . . . .                      | <b>10</b> |  |
| 11 Total taxable wages and payments subject to Nebraska withholding. . . . . | <b>11</b> |  |
| 12 Withholding ratio (Line 9b divided by line 11) . . . . .                  | <b>12</b> |  |

### Calculation of Retained Withholding

|   |            |  |
|---|------------|--|
| 13 Withholding for this period. . . . .   | <b>13</b>  |  |
| 14 Withholding credit limitation  |            |  |
| a Wage benefit credit not previously used . . . . .   | <b>14a</b> |  |
| b Amount attributable to non-base year employees at project (line 12 x line 13) . . . . .     | <b>14b</b> |  |
| c Overall 5% limitation (line 9b x 5%) . . . . .  | <b>14c</b> |  |
| 15 Invest Nebraska wage benefit credit (may not exceed lesser of 14a, 14b, and 14c) . . . . . | <b>15</b>  |  |

## Section C: Total Withholding Offset

|   |  |
|---|--|
| Total incentive credits to offset withholding (Section A, line 8 plus Section B, line 15) . . . . . |  |
|---|--|

## **Instructions**

The withholding ratio calculated on the prior year's Form 312N should be used on the income tax withholding returns for the current year. The previously reported or audited ratio may be used for the monthly deposits prior to the due date of the first full calendar quarter's, Form 941N. This worksheet must be submitted with the Nebraska Withholding Return, Form 941N, filed for the first full calendar quarter of the current tax year. The correct withholding ratio for the prior year should be used on this return.

Attach this worksheet to the Form 941N, for the first full calendar quarter of the year. If the forms are filed electronically, the Incentive Withholding Worksheet should be mailed to the Nebraska Department of Revenue, PO Box 98915, Lincoln, Nebraska 68509-8915.