

# Checklist for Nebraska Advantage Act Qualification Audit

Taxpayer Name	Project Number	Nebraska ID Number
<b>Contact Person Information</b>		
Name	Title	
Street or Other Mailing Address	Phone Number	
City	State	Zip Code
		Email Address

Complete this checklist and submit with all required documentation. Use this checklist to ensure that the required documents are submitted to the Nebraska Department of Revenue (DOR) for timely completion of the Nebraska Advantage Act qualification audit. The records are to be provided to DOR in two phases. All information and documentation necessary for the qualification audit must be compiled before DOR initiates the preliminary analysis phase. DOR will request a portion of the required information/documentation at the start of preliminary analysis. The remaining information must be made available to DOR auditors during the audit phase. If any information/documentation is not provided DOR will disallow the corresponding items. DOR will work with the taxpayer's contact to schedule the start of the audit within six to eight weeks after the submission of **all** information required for the preliminary analysis phase.

### Documents Required for Preliminary Analysis Phase

Description	Submitted (Yes/No)	If No, include explanation.
<b>General Information</b>		
<a href="#">Nebraska Advantage Act Credit Computation, Form 312N</a> , for year of application and each year of the Attainment Period, including the following: <ul style="list-style-type: none"> <li>• Page 1</li> <li>• Page 2</li> <li>• Schedule A</li> <li>• Schedule B (Tiers 1, 2, 4, 5 and 6)</li> </ul>		
<a href="#">Employment Form</a> with a Worksheet (Tab) for the base year and each year of the attainment period.		
All Tiers, other than Tier 3: <a href="#">Investment Form</a> with a Worksheet (Tab) for the year of application and each year of the attainment period.		
<a href="#">Power of Attorney, Form 33</a> , if audit contact is not an owner or officer of the applicant.		
Chart of accounts.		
Listing of location codes for asset, payable, and payroll systems.		

Description	Submitted (Yes/No)	If No, include explanation.
<b>General Information (continued)</b>		
<p>Ownership: Complete the <a href="#">Ownership Form</a> if the project application date is before September 6, 2013 and an entity approved as performing a qualified business activity at the project is a partnership, limited liability company, which has elected to be taxed as a partnership, a cooperative, a limited cooperative association, or a joint venture. Complete the Ownership Form and provide the following information for the year of qualification:</p> <ul style="list-style-type: none"> <li>• Nebraska Advantage Act Ownership Analysis and Distribution of Tax Credits, Form 312N Schedule II.</li> <li>• All applicable Nebraska Advantage Act Ownership Verification Statements, Form 312N, Schedules IV.</li> <li>• Partner's Share of Income, Deductions, Credits, etc. Schedule K-1</li> </ul>		
<p>Qualified Business Activity: If the application indicates that the qualified business activity is (1) Sales of services to customers outside Nebraska or to the U.S. government (Application, Question 3A, item 3) or (2) Sale of tangible personal property (Application, Question 3A, item 12 provide the following):</p> <ul style="list-style-type: none"> <li>• <a href="#">Sales Analysis Form</a> for each location conducting such activity.</li> <li>• Attach the Financial Statements or pages of the tax return that tie to the sales for the year of qualification.</li> </ul>		
<b>Investment Information</b>		
Tax depreciation schedules, including a listing of asset additions and retirements for each year of the attainment period.		
The Federal tax return and supporting pages, which tie to tax depreciation schedule with cross references.		
<b>Employment Information</b>		
Nebraska Reconciliation of Income Tax Withheld, Form W-3N, for the base year and each year of the attainment period.		
Nebraska Withholding Returns, Forms 941N, for the base year, if the base year is other than a calendar year.		
<a href="#">E-Verify User Audit Report</a> providing confirmation information for all new employees.		

### Other Information Requests

Attach a document which addresses the following questions.

Response Attached		
	Attached (Yes/No)	If No, include explanation
Describe the pay frequency for salaried and hourly employees.		
<p><b>New Locations or Entities:</b> If there is a new location or entity since the date the project agreement was signed that the taxpayer wants to formally add to the project, a Nebraska Advantage Act Changes to Project, Form 312N Schedule III, must be submitted. If the new location or entity has not previously been approved for inclusion in the project, then submit the Schedule III and get approval or denial prior to providing information for the preliminary analysis phase of the qualification audit.</p>		
Provide a list of the pay dates in each year. If the pay dates differ between pay groups, provide the pay date information for each group.		
Provide a copy of company's leave policies.		
Provide a list of the project's tax years for the base year through the year of qualification.		
<p>Does the taxpayer have any entities within the unitary group or locations in Nebraska which were not included in the project?</p> <ul style="list-style-type: none"> <li>• If yes, provide a list of employees which were transferred or moved from one of these entities to a project location after the base year and prior to the end of the year of qualification.</li> </ul>		
Are all of the documents requested for the Audit phase of the audit compiled and ready for review?		
Based on the year of qualification, does the taxpayer need a Nebraska Extension of the Statute of Limitation Agreement, Form 872N, to keep periods open for refund of benefits per Neb. Rev. Stat. § 77-5726(3)(B)(d) and other statutory provision for refunds?		
<p><b>Audit Location:</b> If all records are electronic, we can perform the audit in our office. If your records are not in a form that allows electronic review, or allows only for partial electronic review, state the Nebraska location where you request the audit to be performed.</p>		

### Documents Required for Audit Phase

Description	Available (Yes/No)	If No, include explanation.
<b>General Information</b>		
<p>If the Sales Analysis Form is needed as indicated above, prepare the following:</p> <ul style="list-style-type: none"> <li>• Sales journal or other internal sales report that provides customer name, sales amount, date of sale, and description of item sold.</li> <li>• Sales invoices.</li> </ul>		
<b>Investment Information</b>		
<p>For all property placed in service at the project after the date of application but before the end of the year of qualification, provide:</p>		
<ul style="list-style-type: none"> <li>• Fixed asset invoices. Reconcile any fixed asset invoices that do not match the amount claimed.</li> </ul>		
<ul style="list-style-type: none"> <li>• Rental and lease agreements. Provide proof of first and last payments made during the audit period.</li> </ul>		
<ul style="list-style-type: none"> <li>• Construction contracts and progress billings.</li> </ul>		
<ul style="list-style-type: none"> <li>• A completed <a href="#">Tax Incentive Purchasing Agent Appointment and Certification, Form 312C</a> must be provided for each contract.</li> </ul>		
<ul style="list-style-type: none"> <li>• Software license agreements and proof of installation. Complete the <a href="#">Software Cover Sheet</a> for each software contract.</li> </ul>		
<p>For the year of application and each year in the attainment period provide:</p>		
<ul style="list-style-type: none"> <li>• Nebraska and Local Sales and Use Tax Return, Forms 10 or Nebraska and Local Business Use Tax Return, Forms 2. The supporting electronic list of the purchases on which use tax was paid.</li> </ul>		
<b>Employment Information</b>		
<p>For the base year and each year in the attainment period:</p>		
<ul style="list-style-type: none"> <li>• Payroll journals with details of wages and hours by person.</li> </ul>		
<ul style="list-style-type: none"> <li>• Wage and Tax Statements, Forms W-2</li> </ul>		
<ul style="list-style-type: none"> <li>• E-Verify Confirmations for all newly hired employees.</li> </ul>		