



Revenue Ruling 29-91-3
Supersedes 29-90-3

Economic Development Tax Incentives--Sale-lease back. THE LEASE BY A TAXPAYER OF PROPERTY WHICH IT PREVIOUSLY OWNED QUALIFIES AS INVESTMENT ONLY IF THE PROPERTY WAS FIRST PLACED IN SERVICE BY THE TAXPAYER AFTER THE DATE OF THE APPLICATION. THE PROPERTY WILL BE VALUED AT ITS ORIGINAL PURCHASE PRICE OR COST.

Advice has been requested regarding whether property leased in a sale-lease back situation qualifies as investment for purposes of the Nebraska Employment and Investment Growth Act.

The lease by a taxpayer of any property which it previously owned will qualify as investment only if the property was first placed in service by the taxpayer after the date of its Employment and Investment Growth Act application. The property will be valued at its original purchase price or cost rather than the amount of the lease payments.

This revenue ruling is effective for all agreements entered into under the provisions of the Nebraska Employment and Investment Growth Act.

APPROVED:

A handwritten signature in black ink, appearing to read 'M. Berri Balka', written over a large, loopy flourish.

M. Berri Balka
State Tax Commissioner

May 30th, 1991