

~~NEBRASKA~~

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DEPARTMENT OF REVENUE

# 2020

# Nebraska

## Financial Institution Voluntary Estimated Tax Payment Voucher and Worksheet

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**Included in this Booklet:**

Form 1120NF-ES; and  
Form 1120NF-ES Worksheet.

**Electronic Payment Options Are Available.**

[See instructions.](#)

**Questions?**

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800-742-7474 (NE or IA) or 402-471-5729

# 2020 Nebraska Financial Institution Voluntary Estimated Tax Payment Voucher and Worksheet Instructions

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## What's New

**Nebraska Property Tax Incentive Act (LB 1107 – Operative August 17, 2020).** This Act provides a refundable financial institution tax credit to any taxpayer that paid Nebraska school district property taxes. To claim the credit taxpayers must complete and submit a [Nebraska Property Tax Incentive Act Credit Computation, Form PTC](#).

## Terms

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**Average Deposits.** Average deposits are the total deposits accepted at the financial institution's Nebraska offices, plus deposits solicited from Nebraska residents that are accepted at offices outside of Nebraska.

- ◆ **Calendar-year financial institutions** total the deposits held on the last day of the preceding year and the last day of each calendar quarter within the current year, and divide by five.
- ◆ **Fiscal-year financial institutions**, or short-period financial institutions, total the deposits held on the last day of the preceding fiscal year, the last day of each complete calendar quarter within the fiscal year, and the last day of the fiscal year, and divide by the number of amounts added together.

**Deposits.** Deposits are:

- ◆ Money placed in the custody of the financial institution for safety or convenience that may be withdrawn at the will of the depositor, or under the rules and regulations agreed upon by the financial institution and the depositor; and
- ◆ Money for which a certificate may be issued and that may be payable on demand, on certain notice, or at a fixed future date or time.

Deposits **do not** include money placed with the trust department of any financial institution in a fiduciary capacity. Deposits **do** include any money placed with the trust department of any financial institution that is not in a fiduciary capacity.

**Financial Institution.** Financial institution includes any of the following entities that are chartered or qualified to do business in Nebraska.

- ◆ Bank
- ◆ Building and loan association
- ◆ Credit union, **except federally-chartered**
- ◆ Savings bank
- ◆ Savings and Loan Association
- ◆ Any subsidiary of an entity listed above

A financial institution also includes a bank holding company or a financial holding company that is not chartered to do business in Nebraska, but maintains a permanent place of business in the state and actively solicits deposits from Nebraska residents for an affiliate.

Subsidiary **does not** include any bank, bank holding company, financial holding company, or savings and loan association that is owned 50% or more by a mutual savings and loan association and does not actively solicit deposits from Nebraska residents.

**Net Financial Income.** Net financial income is the income of the financial institution, including its subsidiaries, after ordinary and necessary expenses, but before income taxes and discontinued operations. Income and expenses must be computed according to the requirements of the financial institution's regulatory agencies.

## Who May File?

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Every financial institution may file and make a voluntary estimated payment of tax.

## Important Information for All Filers

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**Period Covered by the Return.** This voucher may be filed for the 2020 calendar year or fiscal year beginning in 2020.

A financial institution with a short taxable year (less than 12 months) may file a voucher for the short period. The voucher must be filed during the last month of operation and on or before the end of the short period. See:

- ◆ [Revenue Ruling 24-90-1: Financial Institution Tax – Filing Requirements of Short-Period Tax Returns](#); and
- ◆ [Revenue Ruling 24-91-1: Financial Institution Tax – Average Deposits of Short-Period Tax Returns](#).

**Enter All Amounts as Whole Dollars.** Do not include cents on the voucher or worksheet. Round any amount from 50 cents to 99 cents to the next higher dollar. Round any amount less than 50 cents to the next lower dollar.

**Accounting Methods.** The accounting method required by state and federal regulatory agencies must be used for Nebraska financial institution tax purposes. Income and expenses of a financial institution must be computed according to the requirements of its regulatory agencies.

**Multistate Financial Institutions.** Financial institutions that are subject to tax in more than one state must compute their tax liability based on the amount of average deposits connected with the financial institution's operations in Nebraska. These deposits equal the total deposits accepted at the financial institution's Nebraska offices, plus deposits solicited from Nebraska residents that are accepted at the financial institution's offices outside of Nebraska. The financial institution's limitation amount is computed using the portion of the net financial income that is apportioned to Nebraska through the use of property and payroll factors.

## When and Where to File?

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When the financial institution elects to make an estimated payment by filing a [Nebraska Financial Institution Voluntary Estimated Tax Payment Voucher, Form 1120NF-ES](#), this voucher must be filed during the last month of the financial institution's taxable year and on or before the last day of the taxable year. File the voucher with:

Nebraska Department of Revenue  
PO Box 94818  
Lincoln, NE 68509-4818.

**Note: No extension of time to file or pay the voluntary estimated tax will be granted.**

## Calculation of Tax

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**Rate of Tax and Limitation Amount.** The rate of tax and limitation rate are the rates in effect on the first day of the financial institution's taxable year. For tax year 2020:

- ◆ The rate of tax is \$.47 per \$1,000 of average deposits; and
- ◆ The limitation amount is 3.81% of the net financial income.

The financial institution must pay the lesser of the tax on average deposits or the limitation amount.

The voluntary estimated tax payment must be made during the last month of the financial institution's taxable year and on or before the last day of the taxable year.

# How to Complete Form 1120NF-ES

**Payment Voucher.** Complete the worksheet to compute the 2020 estimated financial institution tax. Enter the amount from line 18 of the worksheet on the payment voucher.

Make a payment using one of the methods described in the line 18 instructions below.

<b>Lines 1 – 4</b>	<b>Ending Deposits.</b> Enter the amount of ending deposits at the preceding year-end and the ending deposits at the end of each complete calendar quarter of the financial institution's taxable year beginning in 2020. Refer to the chart on page 6 of these instructions as a guide to determine the ending deposits for each period.
<b>Line 5</b>	<b>Estimated Ending Deposits.</b> Estimate the fourth quarter ending deposits that will be reported to the regulatory agencies at the end of the financial institution's taxable year.
<b>Line 7</b>	<b>Estimated Average Deposits.</b> Divide the line 6 total deposits amount by five, and enter the result on line 7. Fiscal-year or short-period returns should compute average deposits as described on page 2 of these instructions.
<b>Line 8</b>	<b>Financial Institution Estimated Tax.</b> The rate of tax is the rate in effect on the first day of the financial institution's taxable year.  For tax year 2020, the rate of tax is \$.47 per \$1,000 of average deposits.
<b>Line 9</b>	<b>Estimated Net Income.</b> Estimate the amount of net income before income taxes and discontinued operations of the financial institution for the taxable year beginning on or after January 1, 2020. Financial institutions that are subject to tax in more than one state must compute their estimated net income based on the information found on page 3 of these instructions under Important Information for All Filers.  Refer to the chart on page 6 of these instructions as a guide to determine the appropriate line number amount and possible adjustments to make for each reporting period necessary to arrive at the total representing the entire taxable year.  If the estimate results in a net loss before income taxes and discontinued operations, enter zero -0- on line 9.
<b>Line 10</b>	<b>Limitation Amount.</b> For tax year 2020, the rate is 3.81% of the net financial income.
<b>Line 12</b>	<b>Community Development Assistance Act (CDAA) Credit.</b> This nonrefundable credit is allowable for contributions to approved projects of community betterment organizations recognized by the Nebraska Department of Economic Development (DED). Any tax credit balance may be carried over and applied against your tax liability for the next five years immediately succeeding the tax year in which the credit was first properly claimed and allowed. See the instructions on the <a href="#">2020 Nebraska Community Development Assistance Act Credit Computation, Form CDN</a> , for more information on this credit. Financial institutions do not need to attach a copy of the Form 1099NTC. DOR will receive the Form 1099NTC information directly from DED.  More detailed information on this credit can be obtained by contacting:  Nebraska Department of Economic Development Housing and Community Development Division PO Box 94666, Lincoln, Nebraska 68509-4666 402-471-6280 or 800-426-6505 <a href="http://opportunity.nebraska.gov">opportunity.nebraska.gov</a>
<b>Line 13</b>	<b>New Markets Tax Credit (NMTC).</b> This nonrefundable credit is allowed for an investment in a qualified community development entity. Attach a copy of <a href="#">Nebraska Incentives Credit Computation, Form 3800N</a> , and any supporting schedules, and enter the amount from line 10 of Form 3800N. The tax credit may be claimed for the tax year that includes the applicable credit allowance date. The credit is nonrefundable, but may be carried forward for up to five taxable years from the year it is first allowed.

**Line 14**

**Nebraska Historic Tax Credit (NHTC).** This nonrefundable, and in some cases, transferable tax credit is allowed for eligible expenditures to rehabilitate, preserve, or restore qualifying historically-significant real property. Attach a copy of Nebraska Incentives Credit Computation, Form 3800N, and any [Historic Tax Credit Worksheets, Form 3800N, Worksheet NHTC](#). Enter the amount from line 11 of Form 3800N. The credits may be carried forward until fully utilized, or until December 31, 2027, whichever occurs first.

**Line 15**

**Affordable Housing Tax Credit (AHTC).** This nonrefundable tax credit is allowed to financial institutions in an amount, not exceeding the federal Low-Income Housing Tax Credit. Credits are issued for the first six years of the credit period as defined under Federal law, and are allocated to projects placed in service after January 1, 2018. The credits are issued for the first six years of the credit period. Credits are available for tax years beginning on and after January 1, 2020. Attach a copy of the Nebraska Incentives Credit Computation, Form 3800N. Enter the amount of the credits from line 11 of Form 3800N. The credits may be carried forward until fully utilized.

**Line 16**

**Nebraska Property Tax Incentive Act Credit.** This refundable tax credit is allowed to financial institutions that file as C corporations and have paid Nebraska school district property taxes for tax years beginning or deemed to begin on or after January 1, 2020. To claim the credit taxpayers that file as C corporations must complete and submit a [Nebraska Property Tax Incentive Act Credit Computation, Form PTC](#). Enter the amount from line 4 of Form PTC and attach Form PTC. If the financial institution files as an S corporation, the Nebraska Property tax Incentive Act Credit is passed through to the owners and cannot be taken on the 1120NF-ES. Enter zero on line 16 and submit Form PTC to report school property taxes paid and distributed to shareholders in Part D.

**Line 18**

**Voluntary Estimated Tax Payment.** Subtract the total of lines 12 through 17 from line 11. If the result is zero or less than zero, enter zero (-0-) and do not file the voucher. If the result is more than zero, then enter this amount on line 1 of the payment voucher.

**Electronic Payment.** Payment of the estimated financial institution tax may be made electronically.

Financial institutions that made tax payments exceeding \$5,000 in a prior year are required to make all payments electronically.

**Payment Options (Nebraska e-pay, ACH Credit, Tele-pay).** Pay your estimated tax electronically. It's secure, easy, and fast. Details on electronic payments can be found on DOR's [website](#).

**Credit Card.** Secure credit card payments can be initiated through Official Payments at [officialpayments.com](#), or via telephone at 800-272-9829. Eligible credit cards include American Express, Discover, MasterCard, and VISA. A convenience fee (2.35% of the tax payment, \$1 minimum) will be charged to the credit card you used. This fee is paid to the credit card vendor, not the State of Nebraska, and will appear on your credit card statement separately from the tax payment.

**Check or Money Order.** Make check or money order payable to the "Nebraska Department of Revenue". Checks written to DOR may be presented for payment electronically.

**Contact Information.** For additional assistance, please contact:

Nebraska Department of Revenue  
PO Box 94818  
Lincoln, NE 68509-4818  
800-742-7474 (NE and IA) or 402-471-5729  
[revenue.nebraska.gov](#)

**Call Report References\***

•For use in completing lines 1-5 and line 9 of Form 1120NF-ES

Type of Financial Institution	Reports and Line Numbers	
	Lines 1-5: Ending Deposits	Line 9: Net Income Before Income Taxes and Discontinued Operations
Banks and Savings and Loan Associations with Domestic and Foreign Offices	Form FFIEC 031 Consolidated Report of Condition Schedule RC-Balance Sheet Liabilities (Page RC-2) Line 13 Deposits <b>Enter the total of lines 13.a. and 13.b.</b>	Form FFIEC 031 Consolidated Report of Income Schedule RI-Income Statement Line 8 (Page RI-2) Income (loss) before applicable income taxes and discontinued operations <b>Enter line 8.c.</b> <b>FOR THE ENTIRE TAXABLE YEAR</b>
Banks and Savings and Loan Associations with Domestic Offices Only	Form FFIEC 041 Consolidated Report of Condition Schedule RC-Balance Sheet Liabilities (Page RC-1) Line 13 Deposits <b>Enter line 13.a.</b>	Form FFIEC 041 Consolidated Report of Income Schedule RI-Income Statement Line 8 (Page RI-2) Income (loss) before applicable income taxes and discontinued operations <b>Enter line 8.c.</b> <b>FOR THE ENTIRE TAXABLE YEAR</b>
Credit Unions	National Credit Union Administration Form NCUA 5300 Statement of Financial Condition Liabilities, Shares/Deposits (Page 3) Line 19 Total Shares and Deposits <b>Enter line 19, column C.</b>	National Credit Union Administration Form NCUA 5300 Statement of Income and Expense: <b>FOR THE ENTIRE TAXABLE YEAR</b> Line 33 Net income Less: Line 15 Gain (loss) on Equity Securities Line 16 Gain (loss) on Other Securities Line 17 Gain (loss) on Non-Trading Derivatives Line 18 Gain (loss) on Disposition of Fixed Assets Line 19 Gain from Bargain Purchase (Merger) Line 20 Other Non-operating Income (Expense) <b>Enter line 33 minus lines 15-20.</b>

\*This chart references the call reports available as of June 30, 2020 and September 30, 2020. If these call reports are modified and the line numbers do not remain constant, please use this chart as a guide to report the financial institution's deposits, estimated deposits, estimated net income before income taxes and discontinued operations, and actual net income before income taxes and discontinued operations in a consistent manner.

<b>1</b> Estimated tax payment (line 18 of worksheet)....	<b>1</b>		00		
Name of Financial Institution					
Street or Other Mailing Address					
City or Town	State	Zip Code	Nebraska ID Number	Federal ID Number	
<b>Type of Financial Institution:</b>					
(1) <input type="checkbox"/> Bank					
(2) <input type="checkbox"/> Savings Association					
(3) <input type="checkbox"/> Credit Union					
(4) <input type="checkbox"/> Other _____					

**To pay electronically, go to our website at [revenue.nebraska.gov](http://revenue.nebraska.gov).  
Do not mail this voucher if you are paying electronically.**

If paying by check or money order, mail this voluntary estimated tax payment voucher and payment to:  
**Nebraska Department of Revenue, PO Box 94818, Lincoln, NE 68509-4818**  
**revenue.nebraska.gov, 800-742-7474 (NE and IA), 402-471-5729**

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**Nebraska Financial Institution Voluntary  
Estimated Tax Payment Worksheet**

• Enter dollar amounts in ones, not in thousands (for example, 14 million must be written as 14,000,000).

<b>1</b> Preceding year-end deposits . . . . .	<b>1</b>		00		
<b>2</b> First quarter ending deposits . . . . .	<b>2</b>		00		
<b>3</b> Second quarter ending deposits . . . . .	<b>3</b>		00		
<b>4</b> Third quarter ending deposits . . . . .	<b>4</b>		00		
<b>5</b> Estimated fourth quarter ending deposits . . . . .	<b>5</b>		00		
<b>6</b> Total actual and estimated deposits (total of lines 1 through 5) . . . . .	<b>6</b>			00	
<b>7</b> Estimated average deposits for 2020 (line 6 divided by 5) (fiscal year taxpayers, see instructions) . . . . .	<b>7</b>			00	
<b>8</b> Financial institution estimated tax (line 7 multiplied by .00047) . . . . .	<b>8</b>			00	
<b>9</b> Estimated net income before income taxes and discontinued operations (enter -0- if the financial institution has a net loss) . . . . .	<b>9</b>			00	
<b>10</b> Limitation amount (line 9 multiplied by .0381) . . . . .	<b>10</b>			00	
<b>11</b> Subtotal (enter line 8 or line 10, whichever is less) . . . . .	<b>11</b>			00	
<b>12</b> Community Development Assistance Act (CDA) credit . . . . .	<b>12</b>			00	
<b>13</b> New Markets Tax Credit (NMTC) . . . . .	<b>13</b>			00	
<b>14</b> Nebraska Historic Tax Credit (NHTC) (attach Form 3800N) . . . . .	<b>14</b>			00	
<b>15</b> Affordable Housing Tax Credit (AHTC) (attach Form 3800N) . . . . .	<b>15</b>			00	
<b>16</b> Nebraska Property Tax Incentive Act Credit (attach Form PTC) . . . . .	<b>16</b>			00	
<b>17</b> Amount of overpayment from 2019 credited to 2020 . . . . .	<b>17</b>			00	
<b>18</b> Voluntary estimated tax payment amount (subtract the total of lines 12-17 from line 11). Enter here and on line 1 of payment voucher. If less than zero, enter -0-, and do not file.	<b>18</b>			00	