

Instructions Important Information for All Filers

General Instructions

If you own only one parcel of real estate, owned it throughout the entire property tax year, and paid the taxes yourself directly or through your monthly payments into escrow, this form can be completed quickly and easily. Just look up your parcel in the Nebraska School District Property Tax Look-Up Tool to complete line 5, enter the school district property taxes paid information from the look up tool on lines 1 and 3, and multiply line 3 by .06. **You can only claim this credit if you are the person that paid the property taxes on the parcel.** Taxpayers that falsely claim the credit associated with school district property taxes that were paid by someone else are subject to assessment of additional tax, penalties, and interest.

Purpose. The Nebraska Property Tax Incentive Act Credit Computation, Form PTC, is used to identify parcels, parcel owners, and compute a tax credit for school property tax paid.

Nebraska School Property Tax Look-Up Tool. For assistance in determining the amount of school district property tax paid on a parcel in the 2020 calendar year, visit the Nebraska Department of Revenue's (DOR's) Nebraska School District Property Tax Look-Up Tool. DOR strongly recommends using this look up tool.

Nebraska School District Property Tax Paid. The Nebraska school property tax is considered paid on the date it is received by the county treasurer where the parcel is located. Partial property tax payments held in escrow by the county treasurer are not considered paid. This form and the Nebraska School District Property Tax Look-Up Tool is based upon the following assumptions about the school property tax paid:

- The school district property tax was paid by the individual or entity that owned the parcel during the property tax year.
- When a parcel is sold, each owner paid the school district property tax based on a ratio of the number of ownership days in the property tax year to the total number of days in the property tax year.
- When a parcel is owned by more than one individual or entity the school district property tax was paid by each owner based on their parcel ownership percentage during the property tax year.

These assumptions may be overcome by providing DOR evidence to the contrary. If any of these assumptions are incorrect, the taxpayer claiming the Nebraska Property Tax Incentive Act credit (credit) must submit, with their return, documentation supporting the amount of credit claimed.

Limitation on School District Property Tax. Nebraska School District Property Tax Paid does not include property taxes levied for bonded indebtedness or as a result of an override of the limits on property tax levies approved by voters.

Parcel Sales. When a parcel is sold, the date the property taxes are paid is the date the county treasurer receives payment rather than the date of closing. The seller may claim the credit on the amount of school district property tax paid by the seller in the income tax year that the county treasurer receives the property taxes paid at closing by the parties. Usually, property taxes are prorated between the owners based on the number of days in the property tax year each owner owns the parcel. If that is not the case, each taxpayer must provide the closing statement or other documentation showing the amount of property taxes paid by the taxpayer claiming the credit.

Escrow Accounts. When a parcel owner's monthly payment to the mortgage company includes an amount for deposit in an escrow account for property taxes, the date the county treasurer receives the payment from the escrow company is the date the school district property tax is paid, rather than the date the parcel owner makes the payment to the escrow account.

Enter All Nebraska School District Property Tax Amounts as Whole Dollars. 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.

Records. All taxpayers must retain records for at least three years after filing the tax return claiming the credit or distributing the school property tax paid. Taxpayers using DOR's Nebraska School District Property Tax Look-Up Tool should print or save the information provided by the look up tool.

Who Must File. Form PTC must be filed by an individual, corporation, fiduciary, or financial institution claiming the credit and by any partnership, S corporation, fiduciary, or limited liability company (LLC) distributing school district property tax paid.

When and Where to File. Form PTC must be filed with the Nebraska income tax or financial institution tax return on which the credit is claimed or the school district property tax paid is distributed. The credit is only available for income tax years beginning on and after January 1, 2020. Individuals and entities filing their returns on a fiscal year beginning prior to January 1, 2020 should not complete this form.

How to Complete the Form PTC

Taxpayers claiming the credit should complete Part B and Part C before completing Part A.

Part A – Computation of the Credit

Part A is used to compute the credit for school property tax paid and reported in Parts B and C. Part A should only be completed by individuals and entities claiming the credit. Part A should not be completed by S corporations, partnerships, LLCs, or fiduciaries that will distribute the school property tax paid to its shareholders, partners, members, or beneficiaries.

Line 1. Enter the total amount of Nebraska school district property taxes paid from Part B, line 5.

Line 2. Enter the total amount of Nebraska school district property taxes paid from Part C, line 6.

Line 3. Enter the sum of lines 1 and 2.

Line 4. Multiply the amount on line 3 by .06 and enter the result on line 4 and on the appropriate line of the Nebraska tax return (Line 36, Form 1040N; line 24, Form 1041N; line 24, Form 1120N; or line 18, Form 1120NF).

Part B – Individuals and Entities that Paid Nebraska School District Property Tax

Part B is used by individuals, C corporations, financial institutions, and fiduciaries that did not distribute their income.

Information must be entered separately for each parcel for which school district property tax was paid in calendar year 2020. A separate entry must also be made for each property tax year for which school district property tax was paid in the current income tax year. If Part B does not have enough rows to include all the parcels for which you paid school district property tax, attach a schedule in the same format as Part B.

Example 1. Joe Pear owns two parcels in Lancaster County and paid school district property tax levied on those parcels for the 2019 and 2020 property tax year during the 2020 calendar year. Joe purchased parcel 17-12-345-678-000 on August 1, 2010 and parcel 17-87-654-321-000 on July 1, 2019. The total 2019 school district property tax paid on parcel 17-87-654-321-000 was \$460. Joe’s portion of the 2019 school district property tax paid on parcel 17-87-654-321-000 was \$232 ($\$460 \times 184/365$). Part B of Form PTC should be completed as follows:

Parcel Owner	Nebraska ID Number (entities only)	Federal ID Number (entities only)	Property Tax Year	Parcel				Nebraska County Number	Nebraska School District Property Tax Paid
				Dates of Ownership		Percentage Share of Ownership	ID Number		
				Beginning (MMDDYYYY)	Ending (MMDDYYYY)				
Joe Pear			2019	01012019	12312019	100%	17-12-345-678-000	55	190 00
Joe Pear			2020	01012020	12312020	100%	17-12-345-678-000	55	220 00
Joe Pear			2019	07012019	12312019	100%	17-87-654-321-000	55	232 00
Joe Pear			2020	01012020	12312020	100%	17-87-654-321-000	55	510 00
Total Nebraska school district property taxes paid on the above parcels (enter here and on line 1 above.)								5	1,152 00

Parcel Owner. Enter the name of the individual or entity that owned the parcel during all or a portion of the property tax year the school district property tax was levied.

Nebraska ID Number. Enter the Nebraska ID number assigned by DOR to the C corporation, financial institution, or fiduciary claiming the credit. This column should not be used by individuals claiming the credit.

Federal ID Number. Enter the Federal ID number assigned by the IRS to the C corporation, financial institution, or fiduciary claiming the credit. This column should not be used by individuals claiming the credit.

Property Tax Year. Enter the property tax year for which the Nebraska school district property taxes were levied. Most taxpayers pay their property tax in the year after the taxes were levied. If more than one year of property tax was paid in the income tax year, a separate entry must be made for each property tax year. See example 1 above.

Parcel Dates of Ownership – Beginning. Enter the date you became the owner of the parcel. If you owned the parcel prior to the first day of the property tax year, enter the first day of the property tax year.

Example 2. An individual purchased a parcel in 2013 and still owns it. The individual files his or her individual income tax return for January 1, 2020 through December 31, 2020. The individual paid the 2019 property tax during the 2020 calendar year. The individual will enter January 1, 2019 (01012019) for the dates of ownership – beginning even though he or she purchased the parcel in 2013.

Parcel Dates of Ownership – Ending. Enter the last date you owned the parcel. If you owned the parcel through the end of the property tax year, enter the last day of the property tax year.

Parcel Percentage Share of Ownership. If the parcel is owned by you and others enter your share of the ownership.

Parcel ID Number. Enter the parcel ID number assigned by the county assessor to the parcel. This number may be found on the Real Estate Tax Statement issued by the county treasurer where the parcel is located. The parcel ID number may also be found using the DOR’s Nebraska School District Property Tax Look-Up Tool. Some counties use the term “property ID” rather than “parcel ID”.

Nebraska County Number. Enter the number assigned to the county where the parcel is located. This number is provided by DOR’s Nebraska School District Property Tax Look-Up Tool or may be found on the [Nebraska County List](#).

Nebraska School District Property Tax Paid. Enter the amount of school district property tax paid on the parcel during the income tax year. This amount may be found on DOR’s Nebraska School District Property Tax Look-Up Tool or computed using the taxpayer’s records. Those records include, but are not be limited to, the Real Estate Tax Statement issued by the county treasurer where the parcel is located. If the school district property tax paid is computed using your records, remember that the amount entered is limited to taxes levied on real property in Nebraska by a school district or multiple-district school system. The amount cannot include property taxes levied for bonded indebtedness or as a result of an override of the limits on property tax levies approved by the voters. The amount of school district property tax paid may be further limited when the parcel is sold or there were multiple owners during the property tax year. Usually, property taxes are prorated between successive owners based on the number of days in the property tax year each owner owns the parcel. If that is not the case, the taxpayer must provide DOR with the closing statement or other documentation showing the amount of property taxes paid by the taxpayer with their Nebraska tax return.

Example 3. In 2020, an individual paid the 2019 property tax levied on a parcel located in Adams County. The 2019 Real Estate Tax Statement includes the following amounts:

Hastings School District	\$2,200
Hastings School Bond	381

Only the \$2,200 levied by the Hastings School Districts can be entered as school district property tax paid. The Hastings School Bond amount levied for the Hastings School District indebtedness cannot be included in the amount of school district property tax paid. The look-up tool also shows a percentage of the total property taxes levied on the parcel that meet the definition of school district property taxes. This percentage can be used to determine the school district property tax paid by the taxpayer if the assumptions stated earlier are not true for a particular taxpayer.

Total Nebraska School District Property Tax Paid. Enter the sum of the school district property tax paid on the parcel or parcels listed in Part B here and on line 1, Part A.

Part C – For Partners, S Corporation Shareholders, Fiduciary Beneficiaries, and LLC Members

Part C is used by partners, shareholders, beneficiaries and members to report their distributive share of the school district property tax paid. Each partnership, S corporation, Fiduciary, or LLC must provide its owners or beneficiaries with the information necessary to complete Part C from its own Form PTC, Part D.

Parcel Owner. Enter the name of the entity that owned the parcel during all or a portion of the property tax year the school district property tax was levied.

Nebraska ID Number. Enter the Nebraska ID number assigned by DOR to the partnership, S corporation, LLC, or fiduciary distributing the school district property tax paid.

Federal ID Number. Enter the Federal ID number assigned by the IRS to the partnership, S corporation, LLC, or fiduciary distributing the school district property tax paid.

Property Tax Year. Enter the property tax year for which the school district property taxes were levied. Most taxpayers pay their property tax in the year after the taxes were levied. If more than one year of property tax was paid in the income tax year, a separate entry must be made for each property tax year.

Parcel Dates of Ownership – Beginning. Enter the date the entity distributing the school district property tax paid became the owner of the parcel. If the distributing entity owned the parcel prior to the first day of the property tax year, enter the first day of the property tax year.

Parcel Dates of Ownership – Ending. Enter the last date the entity distributing the school district property tax paid owned the parcel. If the distributing entity owned the parcel through the end of the property tax year, enter the last day of the property tax year.

Parcel Percentage Share of Ownership. If the parcel is owned by the distributing entity and others, enter the distributing entity’s share of the ownership.

Parcel ID Number. Enter the parcel ID number assigned by the county assessor to the parcel. This number may be found on the Real Estate Tax Statement issued by the county treasurer where the parcel is located. The parcel ID number may also be found using DOR’s Nebraska School District Property Tax Look-Up Tool. Some counties use the term “property ID” rather than “parcel ID”.

Nebraska County Number. Enter the number assigned to the county where the parcel is located. This number is provided by the look-up tool or may be found on the [Nebraska County List](#).

Share of Nebraska School District Tax Paid. This amount is limited to your share of the school district property tax paid and distributed to you by the partnership, S corporation, fiduciary, or LLC. Partnerships, S corporations, fiduciaries, and LLCs are required to distribute the school district property tax paid in the same manner as its income.

Total of your share of distributed school district property taxes. Enter the sum of the school district property tax paid on the parcel or parcels listed in Part C here and on line 2, Part A.

Part D – For Partnerships, S Corporations, Fiduciaries that Distributed their Income, and LLCs

Part D is used by partnerships, S corporations, fiduciaries, and LLCs to report the school district property tax paid and distributed to their owners or beneficiaries.

Name of Partners, Shareholders, Members, and Beneficiaries. Enter the name of the person or entity that received school district tax paid through distribution.

Social Security Number. If the school district property tax paid was distributed to an individual, enter the social security number of the individual.

Nebraska ID Number. If the school district property tax paid was distributed to an entity, enter the Nebraska ID number issued by DOR to the entity receiving the credit.

Federal ID Number. If the school district property tax paid was distributed to an entity, enter the Federal ID number issued by the IRS to the entity receiving the credit.

Parcel Dates of Ownership – Beginning. Enter the date the entity became the owner of the parcel. If the entity owned the parcel prior to the first day of the property tax year, enter the first day of the property tax year.

Parcel Dates of Ownership – Ending. Enter the last date the entity owned the parcel. If it owned the parcel through the end of the property tax year, enter the last day of the property tax year.

Parcel ID Number. Enter the parcel ID number assigned by the county assessor to the parcel. This number may be found on the Real Estate Tax Statement issued by the county treasurer where the parcel is located. The parcel ID number may also be found using DOR's Nebraska School District Property Tax Look-Up Tool. Some counties use the term "property ID" rather than "parcel ID."

Percentage Share of Income or Ownership. Enter the percentage for each person or entity to which you distributed the credit. The total percentages must equal 100% for each parcel entered on the form.

Share of Nebraska School District Property Tax Paid. Enter the amount of school district property tax paid and distributed to each owner or beneficiary. **The partnership, S corporation, Fiduciary, or LLC must also provide its owners or beneficiaries with the information necessary to complete Part C.**