



## **Nebraska Tax Incentives**

# **2020 Annual Report to the Nebraska Legislature**

**Issued July 15, 2021**

**Letter from the Tax Commissioner**

**Note about Confidentiality**

**Nebraska Advantage Act**

**Nebraska Advantage Rural Development Act**

**Nebraska Advantage Microenterprise Tax Credit Act**

**Nebraska Advantage Research and Development Act**

**Employment and Investment Growth Act (LB 775)**

**Invest Nebraska Act (LB 620)**



Pete Ricketts, Governor

July 15, 2021

Senator Mike Hilgers  
Speaker of the Legislature  
2103 State Capitol  
Lincoln, NE, 68509

Dear Speaker Hilgers:

The Nebraska Department of Revenue (DOR) is electronically submitting the 2020 Annual Report on the following programs:

- Nebraska Advantage Act;
- Nebraska Advantage Rural Development Act;
- Nebraska Advantage Microenterprise Tax Credit Act;
- Nebraska Advantage Research and Development Act;
- Employment and Investment Growth Act; and
- Invest Nebraska Act.

The 2020 Annual Report and annual reports issued since 1997 can be found on DOR's website at [revenue.nebraska.gov](http://revenue.nebraska.gov). An email has also been sent to all members of the Unicameral with a link to the 2020 Annual Report. Archived copies of years older than 1997 may be requested from DOR.

If you have any questions, please contact Liz Gau at 402-471-5930.

Sincerely,

A handwritten signature in cursive script that reads "Tony Fulton".

Tony Fulton  
Tax Commissioner

## Note about Confidentiality

In several instances throughout this report DOR has withheld statistical tabulations where disclosure could lead to the identification of particular taxpayers or other information that is confidential pursuant to [I.R.C. § 6103](#), [Neb. Rev. Stat. § 77-2711](#) (Sales and Use Tax) or [§ 77-27,119](#) (Income Tax). DOR has adopted IRS statistical standards as the minimum standards for compliance with Nebraska confidentiality requirements. IRS Publication 1075, Tax Information Security Guidelines for Federal, State and Local Agencies. The statistical tabulations in this report comply with the following standards:

- a) No statistical tabulation may be released with singular entries containing data from fewer than three taxpayers;
- b) Statistical tabulations prepared for geographic areas less than the entire state may not be released with cells containing data from fewer than ten taxpayers; and
- c) Tabulations that pertain to specifically identified taxpayers, or would tend to identify a particular taxpayer either directly or indirectly, may not be reported, unless otherwise reportable under [Neb. Rev. Stat. § 77-5731](#) or [§ 77-27,195](#).

Several programs included in this report no longer accept new applications. As the existing projects in those programs are completed, a smaller number of active projects remain to be included in the report. As the number of active projects decreases in any one program, it is increasingly likely that statistical tabulations will be withheld to preserve confidentiality.

# Nebraska Advantage Act Reporting Requirements

Neb. Rev. Stat. § 77-5731 provides:

(1) The Tax Commissioner shall submit electronically an annual report to the Legislature no later than July 15 of each year. The Department of Revenue shall, on or before September 1 of each year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request.

(2) The report shall list

- (a) the agreements which have been signed during the previous calendar year,
- (b) the agreements which are still in effect,
- (c) the identity of each taxpayer who is party to an agreement, and
- (d) the location of each project.

(3) The report shall also state, for taxpayers who are parties to agreements, by industry group

- (a) the specific incentive options applied for under the Nebraska Advantage Act,
- (b) the refunds allowed on the investment,
- (c) the credits earned,
- (d) the credits used to reduce the corporate income tax and the credits used to reduce the individual income tax,
- (e) the credits used to obtain sales and use tax refunds,
- (f) the credits used against withholding liability,
- (g) the number of jobs created under the act,
- (h) the expansion of capital investment,
- (i) the estimated wage levels of jobs created under the act subsequent to the application date,

- (j) the total number of qualified applicants,
- (k) the projected future state revenue gains and losses,
- (l) the sales tax refunds owed,
- (m) the credits outstanding under the act,
- (n) the value of personal property exempted by class in each county under the act,
- (o) the value of property for which payments equal to property taxes paid were allowed in each county, and
- (p) the total amount of the payments.

(4) In estimating the projected future state revenue gains and losses, the report shall detail the methodology utilized, state the economic multipliers and industry multipliers used to determine the amount of economic growth and positive tax revenue, describe the analysis used to determine the percentage of new jobs attributable to the Nebraska Advantage Act assumption, and identify limitations that are inherent in the analysis method.

(5) The report shall provide an explanation of the audit and review processes of the department in approving and rejecting applications or the grant of incentives and in enforcing incentive recapture. The report shall also specify the median period of time between the date of application and the date the agreement is executed for all agreements executed by December 31 of the prior year.

(6) The report shall provide information on project-specific total incentives used every two years for each approved project. The report shall disclose

- (a) the identity of the taxpayer,
- (b) the location of the project, and
- (c) the total credits used and refunds approved during the immediately preceding two years expressed as a single, aggregated total.

The incentive information required to be reported under this subsection shall not be reported for the first year the taxpayer attains the required employment and investment thresholds. The information on first-year incentives used shall be combined with and reported as part of the second year. Thereafter, the information on incentives used for succeeding years shall be reported for each project every two years containing information on two years of credits used and refunds approved. The incentives used shall include incentives which have been approved by the department, but not necessarily received, during the previous two calendar years.

(7) The report shall include an executive summary which shows aggregate information for all projects for which the information on incentives used in subsection (6) of this section is reported as follows:

- (a) the total incentives used by all taxpayers for projects detailed in subsection (6) of this section during the previous two years;
- (b) the number of projects;
- (c) the new jobs at the project for which credits have been granted;
- (d) the average compensation paid employees in the state in the year of application and for the new jobs at the project; and
- (e) the total investment for which incentives were granted.

The executive summary shall summarize the number of states which grant investment tax credits, job tax credits, sales and use tax refunds for qualified investment, and personal property tax exemptions and the investment and employment requirements under which they may be granted.

(8) No information shall be provided in the report that is protected by state or federal confidentiality laws.

# Nebraska Advantage Act Summary Description

## General Information

The Nebraska Advantage Act allows a taxpayer involved in a qualified business to earn and use tax benefits based on investment and employment growth. For a list of qualified business activities, [click here](#). There are six tiers that have varying requirements and benefits for investment and employment.

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## Application Information

No new Nebraska Advantage Act applications may be filed after December 31, 2020. However benefits may be paid out under the Nebraska Advantage Act until 2051.

A complete application must have been filed with DOR for each project. The application date for the project established the base year and impacted the investment and required wage level for the project, as well as the applicability of certain statutory provisions. For applications filed on or after October 1, 2009, taxpayers must utilize E-verify to confirm that all newly hired employees employed in Nebraska are legally able to work in the U.S., as required by [Neb. Rev. Stat. § 77-5722.01](#). Each application is reviewed to ensure that the applicant is an eligible taxpayer, and that the plan relates to a qualifying business activity at interdependent locations.

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## Requirements by Application Level

Each of the tiers requires different investment and employment levels to be reached by the end of the attainment period. Refer to the table below for the minimum required levels for each tier. Within Tier 2, there are different combinations of requirements and benefits for data center or web portal projects. Within Tier 5, there are different combinations of requirements and benefits for data center, web portal, or renewable energy projects. Except where specifically stated, references to Tier 2 include Tier 2, Tier 2 Web Portal or Data Center (Tier 2WP/DC), and Tier 2 Large Data Center (Tier 2LDC); and references to Tier 5 include Tier 5, Tier 5 Renewable Energy (Tier 5RE), Tier 5 Web Portal or Data Center (Tier 5WP/DC), and Tier 5 Large Data Center (Tier 5LDC).

The increase in investment is the value of qualified property placed in service at the project after the date of application which is still in service at the end of the reporting year. Qualified property means any tangible property of a type subject to depreciation, amortization, or other recovery under the Internal Revenue Code of 1986, or the components of such property, that will be located and used at the project or at the residence of a teleworker working in Nebraska. Qualified property does not include aircraft, barges, motor vehicles, rail road rolling stock, watercraft, or property rented to another person.

The number of new employees is the lesser of two numbers, the increase in the total number of hours paid to employees who work at the project from the base year; or the number of hours paid to employees who were not employed at the project before the year of application, who are not base-year employees, and who are paid the required wage level. Employees working on tasks interdependent with the project who telework from their residences in Nebraska, or who work on a military installation in Nebraska, are considered to be employed at the project. The number of new employees is calculated using the number of hours for which the employee was paid in the year. One FTE employee is equal to 40 hours per week for the entire year. E-Verify, the federal electronic verification program or a successor program, must be used to evaluate the work eligibility of all newly-hired employees hired on or after the date of application. The hours worked and compensation paid to an employee who was not eligible to work in Nebraska according to E-Verify, or an employee whose work eligibility status was not timely verified using E-Verify must be excluded.

Year	Required Annual Wage Level		Required Investment and Employment Threshold											
	Tiers 1-4	Tier 6 <sup>1</sup>	Tier 1 10 FTE	Tier 2 30 FTE	Tier 2WP/DC 30 FTE	Tier 2LDC 30 FTE	Tier 3 30 FTE	Tier 4 100 FTE	Tier 5 N/A <sup>2</sup>	Tier 5WP/DC N/A <sup>2</sup>	Tier 5LDC N/A <sup>2</sup>	Tier 5RE N/A <sup>2</sup>	Tier 6	
													75 FTE	50 FTE
2020	\$27,768	\$69,420	\$1M	\$3M	\$3M	\$200M	N/A	\$12M	\$37M	\$37M	\$37M	\$20M	\$10M	\$109M
2019	\$26,895	\$67,236	\$1M	\$3M	\$3M	\$200M	N/A	\$12M	\$36M	\$36M	\$36M	\$20M	\$10M	\$108M
2018	\$26,146	\$65,364	\$1M	\$3M	\$3M	\$200M	N/A	\$11M	\$35M	\$35M	\$35M	\$20M	\$10M	\$103M
2017	\$25,709	\$64,272	\$1M	\$3M	\$3M	\$200M	N/A	\$11M	\$34M	\$34M	\$34M	\$20M	\$10M	\$100M
2016	\$24,711	\$61,776	\$1M	\$3M	\$3M	\$200M	N/A	\$12M	\$36M	\$36M	\$36M	\$20M	\$10M	\$106M
2015	\$23,979	\$59,948	\$1M	\$3M	\$3M	\$203M	N/A	\$12M	\$37M	\$37M	\$37M	\$20M	\$11M	\$111M
2014	\$23,561	\$58,902	\$1M	\$3M	\$3M	\$201M	N/A	\$12M	\$37M	\$37M	\$37M	\$20M	\$11M	\$110M
2013	\$22,961	\$57,404	\$1M	\$3M	\$3M	\$200M	N/A	\$12M	\$37M	\$37M	\$37M	\$20M	\$10M	\$109M
2012	\$22,394	\$55,986	\$1M	\$3M	\$3M	\$200M	N/A	\$12M	\$36M	\$36M	\$36M	N/A	\$10M	\$106M
2011	\$21,986	\$54,966	\$1M	\$3M	\$3M	N/A	N/A	\$11M	\$33M	\$33M	N/A	N/A	\$10M	\$100M
2010	\$21,742	\$54,354	\$1M	\$3M	\$3M	N/A	N/A	\$10M	\$32M	\$32M	N/A	N/A	\$10M	\$100M
2009	\$21,136	\$52,841	\$1M	\$3M	N/A	N/A	N/A	\$11M	\$34M	N/A	N/A	N/A	\$10M	\$102M
2008	\$20,281	\$50,702	\$1M	\$3M	N/A	N/A	N/A	\$10M	\$31M	N/A	N/A	N/A	\$10M	\$100M
2007	\$19,452	N/A	\$1M	\$3M	N/A	N/A	N/A	\$10M	\$30M	N/A	N/A	N/A	N/A	N/A
2006	\$18,905	N/A	\$1M	\$3M	N/A	N/A	N/A	\$10M	\$30M	N/A	N/A	N/A	N/A	N/A

<sup>1</sup>The wage level varies by county. It is equal to the greater of 200% of the county average or 150% of the state average. The wage level listed in the table is 150% of the state average. Click here for [Required Annual Wages by County](#) for Tier 6.

<sup>2</sup>Tier 5 projects do not require new employment growth, but a reduction in FTEs will result in recapture of benefits.

## Description of Time Periods

### Year (Neb. Rev. Stat. § 77-5720)

For projects with an application date prior to September 6, 2013, year means the federal taxable year of the taxpayer.

For projects with an application date on or after September 6, 2013, year means calendar year.

### Base Year (Neb. Rev. Stat. § 77-5705)

Except for a Tier 5LDC, the base year is the year immediately preceding the year during which the application was filed. For a Tier 5LDC project, the base year is the last year of the entitlement period for direct refunds for the Tier 2LDC project.

### Attainment Period (Neb. Rev. Stat. § 77-5727(l)(a))

The attainment period is the number of years, including the year of application, within which the taxpayer must meet the minimum required levels of investment and employment.

- **Tiers 1, 3, and 6.** The taxpayer must attain the minimum required levels within five years.
- **Tiers 2, 4, and 5 (other than Tier 5LDC).** The taxpayer must attain the minimum required levels within seven years.



- **Tier 5LDC.** The taxpayer must attain the minimum required levels within four years after the end of the entitlement period for direct refunds for the Tier 2LDC project.

### Entitlement Period (Neb. Rev. Stat. § 77-5708)

The entitlement period is the number of years during which the project may both earn and use credits. No credits are earned in a year when the project does not maintain the minimum required levels of investment or employment. The entitlement period begins the year the required investment and employment increases are met.

- **Tiers 1 and 3.** The entitlement period continues until the end of the sixth year after the year the required increases of investment and employment were met, or the ninth year following the year of application, whichever is earlier.
- **Tiers 2, 4, and 5.** The entitlement period continues until the end of the sixth year after the year the required increases of investment and employment were met.
- **Tier 6.** The entitlement period continues until the end of the ninth year after the year the required increases of investment and employment were met.

The entitlement period for property tax benefits may be different from the entitlement period for other benefits. A taxpayer applying under a tier with property tax benefits has a two-part agreement, **one for a tier of lesser benefits, or subtier**, and one for the selected tier. When the project attains the minimum required levels for the subtier, the project is eligible for all benefits of the subtier. When the project attains the minimum levels for the tier, the project is eligible for certain property tax benefits. For example, a taxpayer with a Tier 4 agreement may begin receiving benefits, other than a personal property tax exemption, once it has been verified the minimum levels of investment and employment for a Tier 2 (subtier) project have been met.

### Carryover Period (Neb. Rev. Stat. § 77-5726(1)(e))

The carryover period starts after the end of the entitlement period. No additional credits are earned during the carryover period.

- **Tiers 1 and 3.** Credits may not be carried over more than nine years after the year of application.
- **Tiers 2 and 4.** Credits may not be carried over more than 14 years after the year of application.
- **Tier 6.** Credits may not be carried over more than 16 years past the end of the entitlement period.<sup>3</sup>

### Time Periods Per Tier

Time Period	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5 (other than Tier 5LDC)	Tier 5LDC	Tier 6
Attainment	5 years	7 years	5 years	7 years	7 years	4 years	5 years
Entitlement	6 or 7 years <sup>4</sup>	7 years	6 or 7 years <sup>4</sup>	7 years	7 years	7 years	10 years
Carryover	0 to 3 years <sup>4</sup>	2 to 8 years <sup>4</sup>	0 to 3 years <sup>4</sup>	2 to 8 years <sup>4</sup>	N/A	N/A	16 years <sup>3</sup>
Maximum Life	10 years	15 years	10 years	15 years	13 years	10 years	30 years <sup>3</sup>

<sup>3</sup>As amended by LB 161, effective August 24, 2017.

<sup>4</sup>Time periods vary due to the maximum life of the project.

## Description of Available Tax Benefits

### Direct Refund of Sales and Use Taxes (Neb. Rev. Stat. § 77-5725(2))

A direct refund is a refund of Nebraska and local sales and use taxes paid on the purchase or lease of qualified property for use at the project, or on the purchase or lease of an aircraft for use in connection with the project, which is placed in service during the attainment or entitlement period (the aircraft may not be used to transport an elected official, or for fundraising for an elected official). For Tier 1 projects, only 50% of the sales and use taxes paid are eligible for refund.

Qualified property is any tangible property of a type subject to depreciation, amortization, or other recovery under the Internal Revenue Code of 1986, or the components of this property, that will be located and used at the project or at the residence of a teleworker working in Nebraska. Qualified property does not include aircraft, barges, motor vehicles, railroad rolling stock, watercraft, or property that is rented to another person.

## Investment Credit (Neb. Rev. Stat. § 77-5725(5)-(7))

The investment credit is a credit equal to 3% (Tier 1), 10% (Tiers 2 and 4), or 15% (Tier 6) of the investment made in qualified property at the project during the attainment and entitlement periods. The credit on qualified property placed in service, from date of application through the end of the year in which the minimum required levels are met, is earned in the qualification year. Credits are also earned on qualified property placed in service in other years during the entitlement period.

## Compensation Credit (Neb. Rev. Stat. § 77-5725(3)-(4))

**Tiers 1, 2, 3, and 4.** In each year of the entitlement period, the compensation credit is computed as follows:

(number of new employees) x (average annual wage of new employees) x (credit percentage) = compensation credit

The number of new employees at the project is calculated using two different methods and is the lesser of: (1) the FTEs at the project during a year in excess of the number of base-year FTEs; or (2) the number of new FTEs.

A new employee is an employee hired after the base year or transferred into Nebraska after the base year who earns the required wage. The number of FTEs is calculated using the number of hours paid in the year. One FTE employee is equal to 40 hours per week for the entire year.

For projects with an application date prior to July 15, 2010, average annual wage of new employees means the compensation subject to income tax withholding paid to new employees at the project divided by the number of FTEs that earned the compensation. For projects with an application on or after July 15, 2010, the average annual wage of new employees means the compensation subject to Medicare tax paid to new employees at the project divided by the number of FTEs that earned the compensation.

The credit percentage varies by tier and the average annual wage of new employees.

- **Tiers 1, 2, 3, and 4.** In each year of the entitlement period, the compensation credit ranges from three percent to six percent of the compensation attributable to new FTEs, excluding any compensation in excess of \$1 million paid to any one employee during the year, depending on the average annual wage of the new FTEs.
- **Tier 6.** In each year of the entitlement period, the compensation credit is equal to ten percent times the compensation of all non-base year employees, excluding any compensation in excess of \$1 million paid to any one employee during the year.

## Personal Property Tax Exemption (Neb. Rev. Stat. § 77-5725(8))

**Tiers 4 and 6.** A taxpayer may claim a personal property tax exemption on the following types of property acquired after the date of application:

- Turbine powered aircraft (the aircraft may not be used to transport an elected official, or for fundraising for an elected official);
- Computer systems and specific peripherals that require environmental controls of temperature and power;
- Business equipment involved directly in the manufacturing or processing of agricultural products; and
- Distribution facility equipment used to store and move product.

A Tier 6 taxpayer may also claim a personal property tax exemption on any other personal property located and used at the project.

Turbine powered aircraft may be exempted from the first January 1 following the date of acquisition through the ninth December 31 after the first year the other types of property qualify for the exemption.

The other types of personal property may be exempted from the first January 1 following the end of the year during which the required levels were exceeded through the ninth December 31 after the first year any property, other than the aircraft, qualifies for the exemption.

**Tiers 2LDC and 5LDC.** A taxpayer may claim a personal property tax exemption on the following types of property acquired after the date of application:

- Turbine powered aircraft (the aircraft may not be used to transport an elected official, or for fundraising for an elected official);
- Computer systems and specific peripherals that require environmental controls of temperature and power;
- Business equipment involved directly in the manufacturing or processing of agricultural products; and
- Distribution facility equipment used to store and move product.

A Tier 2LDC taxpayer may also claim a personal property tax exemption on any other personal property located and used at the project.

Turbine powered aircraft may be exempted from the first January 1 following the date of acquisition through the end of the exemption period for the other types of property which qualify for the exemption.

The other types of personal property at the project may be exempted for the earlier of:

- The January 1 preceding the first claim for exemption through the ninth December 31 after the first claim for exemption is approved; or
- The first January 1 following the end of the year the required levels were exceeded through the ninth December 31 after the first year any property, other than the aircraft, qualifies for the exemption.

**Tiers 2WP/DC and 5WP/DC.** A taxpayer may claim a personal property tax exemption on the following types of property acquired after the date of application:

- Computer systems and specific peripherals that require environmental controls of temperature and power.

The property may be exempted from the first January 1 following the end of the year during which the required levels were exceeded through the ninth December 31st after the first year the property qualifies for the exemption.

### Sales and Use Tax Refund Using Investment and Compensation Credits (Neb. Rev. Stat. § 77-5726(1)(c))

This is a refund of Nebraska and local sales and use taxes paid by the applicant on otherwise non-refundable purchases. For Tiers 1, 2, 3, and 4, the purchases must be used at the project. For Tiers 2LDC and 6, the purchases may be used anywhere in Nebraska. The tax credits used for a sales and use tax refund must be earned in a prior year.

### Income Tax Offset or Refund Using Investment and Compensation Credits (Neb. Rev. Stat. §§ 77-5726(1)(a) and 77-5728(1)(a))

Tax credits may be used to reduce the income tax liability of the taxpayer's entire unitary group. The tax credits used for an income tax offset or refund may be earned in a prior year or the current year. For projects with an application date on or after September 6, 2013, tax credits may be used beginning with the taxable year which includes December 31 of the year the required minimum levels were reached.

Tax credits earned by a partnership, S corporation, limited liability company, cooperative, limited cooperative association, or an estate or trust may be distributed in the same ratio as ordinary income. The recipient of the distributed credit may use the tax credit to reduce their income tax liability from the year of distribution through the end of the carryover period. For projects with an application date on or after September 6, 2013, the last year for which tax credits may be used is the taxable year which includes December 31 of the last year of the carryover period. Any decision on how part of the tax credit is applied will not limit how the remaining tax credit could be applied.

### Income Tax Withholding Offset or Refund Using Compensation Credits (Neb. Rev. Stat. § 77-5726(1)(b))

- **Tiers 1, 2, 3, and 4.** Compensation credits may be used to receive a refund of, or to reduce, the taxpayer's income tax withholding liability attributable to the number of new FTEs at the project, excluding compensation in excess of \$1 million paid to any one employee.
- **Tier 6.** Compensation credits may be used to receive a refund of, or to reduce, the taxpayer's income tax withholding liability attributable to all employees at the project other than base-year employees, excluding compensation in excess of \$1 million paid to any one employee.

The compensation credits used to offset or refund an income tax withholding liability must be earned in a prior year.

## Real Property Tax Reimbursement Using Investment and Compensation Credits ([Neb. Rev. Stat. § 77-5726\(1\)\(d\)](#))

**Tier 2LDC.** Tax credits may be used for a reimbursement from the state equal to real property taxes paid, after the year the application was filed through the end of the carryover period, on investment made after the date of application.

**Tier 6.** Tax credits may be used for a reimbursement from the state, per [Neb. Rev. Stat. § 77-5725\(1\)\(d\)](#), equal to real property taxes paid, after the year the project met the minimum required levels of investment and employment through the end of the carryover period, on investment made after the date of application.

The tax credits used for a real property tax reimbursement must be earned in a prior year.

## Tax Benefits and Use of Credits by Application Level

	Tier 1	Tier 2	Tier 2WLP/LDC	Tier 2LDC	Tier 3	Tier 4	Tier 5 & Tier 5RE	Tier 5WP/DC	Tier 5LDC	Tier 6
<b>Tax Benefit</b>										
Direct Refund of Sales and Use Taxes	50%	100%	100%	100%		100%	100%	100%	100%	100%
Investment Credit	3%	10%	10%	10%		10%				15%
Compensation Credit	3%-6%	3%-6%	3%-6%	3%-6%	3%-6%	3%-6%				10%
Personal Property Tax Exemption			Computer Systems	Aircraft, & All Tangible Personal Property at the Project		Aircraft, Computer Systems, Agricultural Processing Equipment, & Distribution Facility Equipment		Computer Systems	Aircraft, Computer Systems, Agricultural Processing Equipment, & Distribution Facility Equipment	Aircraft, & All Tangible Personal Property at the Project
<b>Use of Credits</b>										
Sales and Use Tax Refund	✓	✓	✓	✓	✓	✓				✓
Income Tax Offset or Refund	✓	✓	✓	✓	✓	✓				✓
Distribution of Credit	✓	✓	✓	✓	✓	✓				✓
Income Tax Withholding Offset or Refund	✓	✓	✓	✓	✓	✓				✓
Real Property Tax Reimbursement				✓						✓

## Audit and Review Procedures

### Audit ([Neb. Rev. Stat. § 5725\(2\)](#))

When the taxpayer notifies DOR that it has reached the qualification levels, DOR conducts an audit to confirm the taxpayer has attained the minimum levels of investment and employment, verify the credits earned in the attainment period, and verify the initial direct sales and use tax refund. After the audit is completed, DOR issues a letter informing the taxpayer of the outcome of the audit. DOR reviews annual filings for claimed tax benefits for reasonableness. DOR conducts periodic maintenance audits to ensure that projects have continued to maintain at least the minimum levels of investment and employment necessary for the selected tier, and to verify the credits reported and benefits received. Confirming attainment of the minimum required levels of new investment and employment required for the property tax exemption may be done as part of the original qualification audit for the subtier, or as part of a maintenance audit of a subsequent year.

### Review of Claims for Benefits ([Neb. Rev. Stat. § 77-5726](#))

During the entitlement and carryover periods, the taxpayer may file claims with DOR for refunds of sales and use taxes paid during the attainment, entitlement, and carryover periods. The sales and use taxes paid during the attainment period may only be refunded after DOR has confirmed that the project has attained the minimum required levels, and the refund is limited to sales and use taxes paid on qualified property located and used at the project and aircraft used in connection with the project. Reviewing the claims may involve testing certain transactions based on dollar scopes or issues.

The taxpayer must file a claim for the personal property tax exemption on or before May 1 with the Tax Commissioner, on [Nebraska Advantage Act Claim for Nebraska Personal Property Exemption, Form 312P](#) and file a copy of the form with the county assessor of the county in which the property is located. DOR determines whether the taxpayer is eligible for the exemption based on whether or not the

required levels of investment and employment have been met, and whether or not the property falls within the classes of personal property eligible for exemption.

A Tier 2LDC or Tier 6 taxpayer may elect to use tax credits for reimbursement of property taxes paid on real property purchased or leased at the project. Prior to approving reimbursement, DOR will confirm the required payment was made to the county.

The taxpayer or the recipient of a distributed credit may file Nebraska income tax returns claiming the use of tax credits as an offset of all, or a portion, of the taxes due. The taxpayer or the recipient of a distributed credit may also file amended returns to receive a refund of income taxes previously paid. DOR will review and approve the tax credit usage.

The taxpayer may claim compensation credits as an offset of all, or a portion, of the income tax withholding otherwise due. The taxpayer may also file amended returns to receive a refund of income tax withholding previously paid. DOR will review and approve the compensation credit usage. DOR also reviews or audits the information to ensure that compensation credits were only used as an offset against the income tax withholding attributable to the appropriate employees.

### Recapture of Benefits ([Neb. Rev. Stat. § 77-5727](#))

Recapture is a reduction in, and repayment of benefits when the minimum levels of investment or employment are not maintained for all years during the entitlement period. For each year the levels are not maintained, the taxpayer cannot earn new tax credits or claim direct refunds of sales and use tax for investment made during the year. DOR also assesses a portion of benefits already received and retains a portion of subsequent tax offsets or refunds to recapture the unearned benefits.

If a project in a tier eligible for property tax exemptions does not maintain the minimum investment and employment levels, the taxpayer owes a portion of property tax exemptions already received (referred to as "recapture"), and loses one year at the end of the exemption period for each year the project did not maintain the required levels. If the project does not meet the minimum investment and employment levels, the taxpayer owes recapture of any property tax exemptions received in the attainment period.

DOR also recaptures any refunds or reductions in tax to which the taxpayer was not entitled.

# Nebraska Advantage Act Agreements Signed in 2020 and Total Agreements in Effect

## Reporting Required by Neb. Rev. Stat. § 77-5731(2)

In the application, each company provides an estimate of investment that will be made and the new full-time equivalent (FTE) employees that will be employed at the project. At the time of application, some companies may have stated only the minimum planned investment and employment required for the tier. Actual investment and employment may be different than the estimate. The project may far exceed the minimum; it may only meet the required levels of the subtier; or it may fail to meet the minimum required levels of the tier or subtier. A list of all Nebraska Advantage Act (Act) applications which have been filed is included on the DOR's website and updated quarterly.

Neb. Rev. Stat. § 77-5723(6) requires that the Tax Commissioner prepare and mail a written agreement to the taxpayer for the taxpayer's signature within 180 days after the application is approved. The application, and all supporting documentation, to the extent it has been approved, is considered a part of the agreement. The agreement must state:

1. The levels of employment and investment required by the Act for the project;
2. The time period under the Act in which the required levels must be met;
3. The documentation the taxpayer will need to supply when claiming benefits under the Act;
4. The date the application was filed; and
5. A requirement that the company annually update DOR on any changes in plans or circumstances which affect the timetable of sales tax refunds as set out in the application. If the company fails to comply with this requirement, the Tax Commissioner may defer any pending sales tax refunds until the company does comply.

Sample agreements for each tier are available on DOR's website.

Under Neb. Rev. Stat. § 77-5731(2), the reporting requirements for agreements include: the agreements which have been signed during the previous year; the agreements which are still in effect; the identity of each taxpayer who is party to an agreement, and the location of each project. The planned investment and employment reflected in the table was included on the applications and is subject to disclosure under Neb. Rev. Stat. § 77-5723(2)(e).

## Agreements Signed In 2020

Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)
ALN Medical Management, LLC	Lincoln	3	30
BioCarbN, LLC	Lexington	210	100
CAMACO, LLC	Columbus and Schuyler	3	30
Celerion, Inc.	Lincoln and Omaha	3	30
City Ventures Professional Services	Omaha	0	30
CLAAS of Omaha, Inc. & Affiliates	Omaha	3	30
Curbtender, Inc.	Gothenburg	4.1	80
Data Migration Resources, Inc.	Omaha	3	30
Empire Supply, LLC	Lincoln and Waverly	1	11
Fremont Beef Company	Fremont	1	10
Great Dane, LLC	Wayne	1	10
Green Cover Seed, LLC	Bladen	1.4	10
Green Plains, Inc.	Wood River	40	0
Hormel Foods Corporation and Subsidiaries	Papillion	108	100
Hy-Vee, Inc.	Omaha	9.9	270
J-M Manufacturing Co., Inc.	Hastings	1	10
Klute, Inc.	York	1	10
LinkedIn Corporation	Omaha	11	100
NatureWorks, LLC	Blair, La Vista, and Omaha	2.5	10
Neapco Components, LLC	Beatrice	15	30
NEBCO, Inc. & Subsidiaries	Alexandria, Ashland, Auburn, Aurora, Beatrice, Central City, Clarks, Crete, Fairbury, Falls City, Fremont, Fullerton, Geneva, Grand Island, Hebron, Kearney, Lincoln, Nebraska City, Omaha, Palmyra, Silver Creek, Springfield, St. Paul, Strang, Syracuse, Tecumseh, Waco, and York	40	40
Nebraska Cold Storage, LLC	Hastings	3	30
NFM Custom Countertops, LLC	Omaha	1	10
Nova-Tech, Inc.	Grand Island	7.9	10
Nucor Corporation	Norfolk	12	100
Oath Holdings, Inc.	Omaha	39	30
Oath Holdings, Inc.	La Vista	40	0
PetIQ, LLC	Omaha	12	100
Physicians Mutual Insurance Company	Bellevue and Omaha	3	30
Prime Metal Products, Inc.	Gering	3	30
Principle Choice Solutions, LLC	Bellevue and Omaha	0	30
Rebellion Fabrication, LLC	Wahoo	3	30
Smithfield Packaged Meats Corp. & Subsidiaries	Omaha	1	10
Staska Pharmaceuticals, Inc.	Bennet	1	10
Streck, Inc.	La Vista	12	100
Tenaska, Inc.	Omaha	3	30
Vireo Resources, LLC	Plattsmouth	9	30
Werner Enterprises, Inc. & Subsidiaries	Omaha	12	100
Western Integrated Seed, Inc.	Fremont and Hooper	10	10
Wholestone Farms Cooperative, Inc.	Fremont	108	100
XXVI Holdings Inc.	Lincoln	564	30
XXVI Holdings Inc.	Lincoln	36	0
<b>Total</b>	<b>42</b>		

**Total Agreements in Effect**

The median period of time between the date of application and the date for all agreements signed as of December 31, 2020, is 257 days.

Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
1623 Farnam, LLC	Omaha	35	0	2019
3M Company and Subsidiaries	Valley	8.3	36	2010
3MV Bancorp, Inc.	La Vista, Omaha, and Papillion	3	30	2019
3MV Bancorp, Inc.	Bellevue, La Vista, Omaha, and Papillion	6	50	2008
AAA Life Insurance Company	Omaha	3	30	2014
ACASS-Systems, LLC	Omaha	1	10	2016
ACI Worldwide, Inc. & Subsidiaries	Elkhorn and Omaha	55	0	2010
Aetna Life Insurance Company	Omaha	0	51	2015
Ag Processing Inc	Hastings	137.8	13	2014
AGCO Corporation	Omaha	5.4	30	2007
Agile Sports Technologies, Inc.	Lincoln and Omaha	12	300	2016
Agile Sports Technologies, Inc.	Lincoln and Omaha	0	35	2013
Agri-Plastics USA, LLC	Sidney	3	30	2018
Air Methods Corporation	Omaha	3	30	2014
Airlanco, Inc.	Falls City	1.3	12	2012
Airlite Plastics Co.	Omaha	107.8	117	2014
Allmand Bros., Inc.	Holdrege	1	10	2019
Allo Communications, LLC	Alliance, Bellevue, Bridgeport, Gering, Hastings, Imperial, Lincoln, North Platte, Ogallala, and Scottsbluff	90	100	2018
Allstate Insurance Company & Subsidiaries	Lincoln	3	30	2016
ALN Medical Management, LLC	Lincoln	3	30	2020
AltEn, LLC	Mead	51.5	64	2015
American Concrete Products Co.	Omaha and Valley	3.2	10	2016
American Laboratories, Inc.	Omaha	3	30	2018
American Marksman, LLC	Omaha and Wahoo	3	30	2017
American National Corporation	Bellevue, Elk Creek, Elkhorn, Fairbury, Falls City, Gretna, Humboldt, La Vista, Lincoln, Nebraska City, Omaha, Papillion, Plattsmouth, Ralston, and Tecumseh	12	100	2019
American National Corporation	Bellevue, Elk Creek, Elkhorn, Fairbury, Falls City, Gretna, Humboldt, La Vista, Lincoln, Nebraska City, Omaha, Papillion, Plattsmouth, Ralston, and Tecumseh	3	30	2013
American Title Holding Company	Omaha	0	30	2013
American Union Ventures, Inc.	Lincoln	3	60	2019
Amerifirst Home Improvement Finance LLC	Omaha	3.2	58	2017
Ameritas Life Insurance Corp.	Lincoln, Omaha, and Wayne	12.9	194	2015
Amur Equipment Finance, Inc.	Grand Island	3	30	2019
Applied Underwriters, Inc.	Omaha	3	30	2010
Archer Daniels Midland Company	Columbus	750	100	2007
Archon Woodworks, Inc.	Omaha	3	30	2015
Ash Grove Cement Company & Subsidiaries	Ashland, Bellevue, Columbus, Cozad, Elkhorn, Fremont, Grand Island, Gretna, Julesburg, Laurel, Louisville, McCook, Monroe, Norfolk, Omaha, Plattsmouth, Seward, Sidney, St. Paul, Valley, Waterloo, Wayne, and West Point	36	30	2016
ASP MSG Acquisition Co., Inc.	Norfolk	7	30	2010
ASP MSG Acquisition Co., Inc.	Norfolk	8	15	2018
Assurity Life Insurance Company	Lincoln	55.5	0	2012
Atlas Medstaff, LLC	Omaha	3	30	2019
Automatic Equipment Manufacturing Co.	Pender and Lincoln	3	30	2016
Aviture, Inc.	Omaha	3	30	2015
Baldwin Filters, Inc.	Gothenburg and Kearney	12	100	2013
Baldwin Hackett & Meeks, Inc.	Omaha	1.1	11	2017
Bank of the West	Omaha	15	40	2015
Bayer CropScience LP	Chester, Goehner, Hemingford, Lincoln, and McCook	1	10	2015
Becton, Dickinson and Company	Broken Bow, Columbus, and Holdrege	200	300	2019
Bell Lumber & Pole Company	Sidney	25	31	2013
Big Ox Energy - Siouxland, LLC	Dakota City	30	30	2018
BioCarbN, LLC	Lexington	210	100	2020
Black Hills Corporation	Bellevue, Lincoln, and Omaha	23.6	60	2010
Blue Cross and Blue Shield of Nebraska, Inc.	Lincoln and Omaha	3	30	2019
BNSF Railway Company	Statewide	350	50	2018
BNSF Railway Company	Statewide	350	50	2016
Broken Bow II Wind Energy, LLC	Broken Bow	140	0	2014
BuilderTREND Solutions, Inc.	Omaha	0	30	2015
Busy Bones Butcher, LLC	Cozad	1	10	2015
C & A Industries, Inc.	Lincoln and Omaha	14	200	2007
C & A Industries, Inc.	Lincoln and Omaha	3.1	90	2015
C.J. Foods, Inc.	Pawnee City	20	54	2011



Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
Cabela's Incorporated & Subsidiaries	Bellevue, Grand Island, Kearney, La Vista, Lincoln, North Platte, Papillion, and Sidney	17.7	300	2015
CAMACO, LLC	Columbus	20.2	100	2007
CAMACO, LLC	Columbus and Schuyler	3	30	2020
CAMACO, LLC	Columbus	3	30	2013
Cargill Meat Solutions Corporation	Columbus, Nebraska City, and Schuyler	3	30	2019
Cargill, Inc. & Subsidiaries	Blair	3	30	2019
Cargill, Inc. & Subsidiaries	Blair	320	100	2007
Carson Group, Inc.	Omaha	12.6	100	2017
Celerion Acquisition Corp.	Lincoln and Omaha	3	30	2014
Celerion, Inc.	Lincoln and Omaha	3	30	2020
Cellco Partnership	Lincoln	27.5	750	2007
Central Valley Ag Cooperative, Nonstock	Elgin, O'Neill, Petersburg, Randolph, Royal, Thurston, Tilden, and Wakefield	36	0	2016
Champion Home Builders, Inc.	York	0	30	2012
Champion Home Builders, Inc.	York	0	30	2019
Chief Industries, Inc.	Grand Island, Kearney, Lexington, and Lincoln	3	30	2018
Christensen Lumber, Inc.	Elkhorn, Fremont, Gretna, Lincoln, and Omaha	3	30	2016
CHS, Inc.	South Sioux City	3	30	2014
City Ventures Professional Services	Omaha	0	30	2020
CLAAS of Omaha, Inc. & Affiliates	Omaha	11	100	2014
CLAAS of Omaha, Inc. & Affiliates	Omaha	3	30	2020
Cleaver-Brooks, Inc.	Lincoln	1	10	2014
Client Resources, Inc.	Omaha	3	50	2017
CNH Industrial America, LLC	Grand Island	11	100	2019
CNH Industrial America, LLC	Grand Island	23.6	36	2007
Columbus Hydraulics Company	Columbus	2.8	15	2007
Columbus Hydraulics Holdings, LLC	Columbus	3	30	2016
CoMc, LLC	Omaha	1	10	2017
ConAgra Foods, Inc. and Subsidiaries	Omaha	15	110	2015
Consolidated Supply Co., Inc.	Omaha	1	10	2017
Cook's Hams, Inc.	Lincoln	10	100	2009
COR Securities Holdings, Inc.	Omaha	3	30	2014
Core Bank	Omaha	26.6	30	2017
CoreLeap, LLC	Omaha	3	30	2018
Coreslab Structures (Omaha) Inc.	Bellevue	1	10	2014
Cornhusker Growth Corporation and Subsidiaries	Lincoln	10	30	2015
CoSentry Holdings, Inc. & Subsidiaries	Bellevue, Omaha, and Papillion	10	100	2010
CoxCom, LLC	Bellevue, Bennington, Gretna, Omaha, Valley, and Waterloo	10	100	2014
CoxCom, LLC	Bellevue, Bennington, Gretna, Omaha, Papillion, Valley, and Waterloo	12	100	2017
Cruze Distribution LLC	Lincoln	12	100	2019
CSG Systems International, Inc.	Omaha	53.5	0	2013
CSG Systems International, Inc.	Omaha and Papillion	36	100	2019
Curbtender, Inc.	Gothenburg	4.1	80	2020
Cyclonaire Corporation	York	1	10	2013
D & D Foods, Inc.	Omaha	1.1	10	2010
D I Manufacturing, LLC	Omaha	1	10	2017
D3 Technology, Inc.	Omaha	0	30	2015
Darling Ingredients, Inc.	Ravenna	1	10	2015
Darling Ingredients, Inc.	Wahoo	15	30	2019
Data Migration Resources, Inc.	Omaha	3	30	2020
Design Plastics, Inc.	Omaha	2	10	2017
Direct Vet Marketing, Inc.	Omaha	3	30	2018
Distribution Management Systems, Inc.	Omaha	0	38	2015
Diversified Foods & Seasonings, Inc.	Nebraska City	10	100	2007
Douglas Holdings, LLC	Columbus and Plainview	3	10	2014
Drake-Williams Steel, Inc.	Omaha	10	100	2007
Duncan Aviation, Inc.	Lincoln	12	100	2017
Dutton-Lainson Company	Hastings	1	10	2017
E Energy Adams, LLC	Adams	3	30	2015
E Energy Adams, LLC	Adams	90	32	2007
EF Johnson Technologies, Inc. & Subsidiary	Lincoln	1	10	2018
Elemental Scientific, Inc.	Omaha	1.5	19	2012
Elemental Scientific, Inc.	Omaha	2	10	2019
Elk Creek Resources Corp.	Elk Creek and Tecumseh	858	400	2019
Ellie Mae, Inc.	Omaha	0	34	2014
Elliott Equipment Company	Omaha	1	50	2017

Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
Elster Holdings US, Inc. & Subsidiaries	Nebraska City and Plattsmouth	3	30	2016
Empire Supply, LLC	Lincoln and Waverly	1	11	2020
Empirical Foods, Inc.	South Sioux City	12	100	2015
Endicott Clay Products Company	Endicott	3	30	2017
ePAR, LLC	Omaha	3	30	2017
Evonik Corporation	Blair	82.5	10	2013
Exchange Company	Gibbon, Grand Island, Kearney, Lincoln, and Omaha	3	30	2018
Farmers & Merchants Investment, Inc.	Ainsworth, Auburn, Beatrice, Columbus, Crete, David City, Fairbury, Grand Island, Hastings, Kearney, Lincoln, Norfolk, Omaha, Pawnee City, Seward, Syracuse, Taylor, Valentine, Wahoo, and York	14	40	2015
FAST Global Solutions, Inc.	Auburn and Falls City	3	30	2019
Fat Brain Toys, LLC	Elkhorn and Omaha	3	30	2016
Fidelity National Financial, Inc. and Subsidiaries	Omaha	8.7	205	2009
Firespring, Inc.	Lincoln	3	30	2014
First Data Corporation & Subsidiaries	Omaha	40	0	2015
First Data Corporation & Subsidiaries	Omaha	50	0	2013
First National of Nebraska, Inc.	Alliance, Alma, Beatrice, Bellevue, Bloomfield, Chadron, Columbus, David City, Elkhorn, Fremont, Gering, Grand Island, Gretna, Kearney, La Vista, Lincoln, Mullen, Norfolk, North Platte, Omaha, Papillion, Scottsbluff, Shelby, and Wayne	12	100	2013
First National of Nebraska, Inc.	Alliance, Beatrice, Bellevue, Bloomfield, Chadron, Columbus, David City, Fremont, Gering, Grand Island, Gretna, Kearney, La Vista, Lincoln, Norfolk, North Platte, Omaha, Papillion, Scottsbluff, and Wayne	12	100	2019
First York Ban Corp.	Albion, Aurora, Bartlett, Bradshaw, Central City, Clay Center, Columbus, Davenport, Edgar, Franklin, Geneva, Glenvil, Grand Island, Guide Rock, Hampton, Harvard, Henderson, Hildreth, Malmo, Marquette, McCool Junction, Monroe, Murray, North Loup, Polk, Rising City, Shelton, St. Edward, Stromsburg, Sutton, Waco, Wilcox, and York	3	30	2012
Fiserv, Inc. & Subsidiaries	Lincoln and Omaha	12	100	2019
Flanders Provision Company, LLC	Hastings	3	30	2018
Flint Hills Resources Fairmont, LLC	Fairmont and Geneva	150	100	2007
FMR LLC	Papillion	150	0	2013
FMR LLC	Papillion	390	30	2013
Food Safety Net Services - Nebraska LLC	Omaha	3.1	15	2018
Foundation Supportworks, Inc.	La Vista and Papillion	3	30	2016
Fremont Beef Company	Fremont	1	10	2020
Frontier Holdings, LLC	Falls City, Lincoln, Madison, Norfolk, Omaha, Pender, Plainview, and Stella	3	30	2017
Fusion Medical Staffing, LLC	Omaha	3	104	2016
Fusion Ranch, Inc.	Scottsbluff	3.7	30	2012
Gallup, Inc.	Omaha	4	30	2017
Garner Industries	Lincoln	2	10	2016
Gavilon Holdings, LLC	Bellevue, Benkelman, Imperial, and Omaha	18.7	66	2014
General Dynamics - OTS, Inc.	Lincoln	11	100	2019
GIX Logistics, Inc.	Grand Island	3	30	2016
Glenn Valley Foods, LLC	Omaha	6.2	10	2018
Gordmans, Inc.	Omaha	16	100	2012
Government Systems, Software & Services, Inc.	Omaha	22	31	2017
GPC, Inc.	Statewide	3	30	2017
GPC, Inc.	Statewide	30	0	2007
Graepel North America, Inc.	Omaha	6.6	20	2018
Grande Prairie Wind, LLC	O'Neill	594	0	2016
Great Dane Limited Partnership	Wayne	1	10	2012
Great Dane, LLC	Wayne	1	10	2020
Great Plains Beef LLC	Lincoln	24.4	17	2019
Greater Omaha Packing Co., Inc.	Omaha	12	100	2016
Greater Omaha Packing Co., Inc.	Omaha	10	30	2008
Green Cover Seed, LLC	Bladen	1.4	10	2020
Green Plains, Inc.	York	1.5	10	2018
Green Plains, Inc.	Wood River	40	0	2020
Green Plains, Inc.	Archer, Central City, Omaha, and St. Edward	3	30	2014
GWD, Ltd.	South Sioux City	1	10	2018
H3C, LLC	Omaha	3	30	2017
Harvest Roasting, LLC	Omaha	3	30	2015
Hastings Irrigation Pipe Co., Inc.	Hastings	1	10	2018
HDR, Inc. & Subsidiaries	Lincoln, Omaha, and Papillion	111	100	2017

Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
Hexagon Lincoln, Inc.	Lincoln	5.2	39	2007
Hexagon USA Holdings, Inc.	Lincoln	3	30	2019
Hockenbergs Equipment and Supply Co., Inc.	Lincoln, Omaha, and Papillion	3	30	2017
Home Instead, Inc.	Omaha	5	30	2013
Hormel Foods Corporation and Subsidiaries	Falls City, Fremont, and Wausa	11	100	2012
Hormel Foods Corporation and Subsidiaries	Papillion	108	100	2020
Hornady Manufacturing Company	Alda and Grand Island	12	100	2014
Huvepharma, Inc.	Lincoln	4.2	10	2018
Hy-Vee, Inc.	Omaha	9.9	270	2020
i2c, Inc.	Omaha	3	300	2018
infoUSA Inc.	Papillion	4.3	250	2007
Ingredion Incorporated	South Sioux City	84	37	2018
Innovative Exhaust Solutions, Inc.	Lincoln	1	10	2018
Interpublic Group, Inc.	Omaha	3.5	100	2012
Intervet, Inc.	Elkhorn and Omaha	103	50	2019
IPG GIS US, Inc.	Omaha	7.5	35	2009
J-M Manufacturing Co., Inc.	Hastings	1	10	2020
J. D. Heiskell Holdings, LLC	Elkhorn and Omaha	3	30	2019
Jet Linx Aviation, LLC	Omaha	3.1	34	2018
Kansas City Series of Lockton Companies, LLC	Omaha	3	30	2013
Katana Summit, LLC	Columbus	14	139	2007
Kawasaki Motors Manufacturing Corp., U.S.A.	Lincoln	12	100	2016
Kellogg USA, Inc.	Omaha	36	0	2017
King Steel Corporation	Norfolk	1	10	2019
Kinney Manufacturing, LLC	Beatrice and Lincoln	3.7	15	2017
Kirsch Transportation Services, Inc.	Omaha	3.3	45	2018
Klute, Inc.	York	8.6	15	2013
Klute, Inc.	York	1	10	2020
LALA Branded Products, Inc.	Omaha	12	15	2012
Land Mark Snacks, LLC	Beatrice	5.5	30	2016
Lawrence Recruiting Specialists, Inc.	Omaha	3	30	2018
LeaseTeam, Inc.	Omaha and Papillion	1	10	2016
Legacy Post & Beam, Inc.	Fremont	1	10	2018
LI-COR, Inc.	Lincoln	5.5	35	2008
LI-COR, Inc.	Lincoln	4.5	10	2019
Lincoln Industries, Inc.	Lincoln	11	100	2012
Lincoln Industries, Inc.	Lincoln	12	100	2019
Lindsay Corporation & Subsidiaries	Lindsay, Newman Grove, and Omaha	35	100	2018
Link Snacks, Inc.	Bellevue	1	10	2012
LinkedIn Corp.	Omaha	10	100	2012
LinkedIn Corporation	Omaha	11	100	2020
Linoma Group, Inc.	Ashland	1.3	10	2014
LOTSolutions, Inc.	Omaha	0	30	2018
Lozier Corporation	Omaha	11	100	2018
Lozier Corporation	Omaha	11	100	2010
Lukjan Great Plains, LLC	Sidney	3	30	2017
M. G. Waldbaum Company	Wakefield	11	100	2019
MacPractice, Inc.	Lincoln	0	66	2012
Majors Plastics, Inc.	Omaha	3	30	2014
Malco Products, SBC, Inc.	DeWitt	3.2	31	2017
Malnove Holding Company, Inc.	Omaha	2	10	2011
Marathon Ventures, Inc.	Bellevue and Omaha	4	37	2012
Markel Aspen, Inc.	Omaha	10	576	2008
Marshall Engines, Inc. & Subsidiary	Kearney	11.1	39	2015
Martin Marietta Materials, Inc	Fort Calhoun	88	0	2017
Materials and Machines Corporation of America	Lincoln	3	30	2015
Matheson Tri-Gas, Inc.	Norfolk	40	30	2017
May Trucking Company	Greenwood	4.8	50	2017
McCain Foods USA, Inc.	Grand Island	7.8	30	2015
Medical Solutions, LLC	Omaha	3	221	2007
Medical Solutions, LLC	Omaha	5.9	68	2014
Menard, Inc.	Valley	20.9	136	2013
Meridian Rail Acquisition Corp.	Hershey	11	35	2014
Metalworks, Inc.	Lincoln	1	10	2016
Metropolitan Life Insurance Company	Omaha	14.4	30	2018
MI Industries, Inc.	Lincoln	1	10	2014
Mi Mama's Tortillas, LLC	Omaha	3.5	15	2011
MidAmerica Equipment, Inc.	Omaha	3	16	2018
Midlands Packaging Corporation	Lincoln	1.8	12	2007

Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
Midwest Laboratories, Inc.	Omaha	2	10	2016
Midwest Prefabrication Inc.	Omaha	1	10	2019
Midwest Renewable Energy, LLC	Omaha and Sutherland	7	35	2015
Midwest Web, Inc.	Lincoln	1.4	17	2018
Minden Machine Shop, Inc.	Minden	1	10	2011
MLB Advanced Media, LP	Omaha	51.6	0	2014
MMP Enterprises USA Inc.	Sidney	27.2	326	2019
Molex LLC	Lincoln	61	150	2007
Molex LLC	Lincoln	3	30	2015
Monolith Materials, Inc.	Hallam and Lincoln	210	100	2019
Monsanto Company	Gothenburg, Kearney, Stromsburg, and Waco	153	180	2010
Moody's Analytics, Inc.	Omaha	0	30	2016
Mutual of Omaha Insurance Company	Blair and Omaha	111.2	386	2011
Mutual of Omaha Insurance Company	Blair, La Vista, Lincoln, and Omaha	289.3	361	2016
N.P. Dodge Company	Omaha	3.5	40	2014
National Research Corporation	Lincoln and Papillion	3	30	2014
NatureWorks, LLC	Blair, La Vista, and Omaha	33	0	2012
NatureWorks, LLC	Blair, La Vista, and Omaha	2.5	10	2020
Neapco Components, LLC	Beatrice	3	30	2010
Neapco Components, LLC	Beatrice	15	30	2020
NEBCO, Inc. & Subsidiaries	Ashland, Auburn, Aurora, Central City, Falls City, Fremont, Geneva, Grand Island, Hebron, Kearney, Lincoln, Nebraska City, Omaha, Silver Creek, Springfield, St. Paul, Strang, Stromsburg, Syracuse, Tecumseh, Waco, and York	25	45	2013
NEBCO, Inc. & Subsidiaries	Alexandria, Ashland, Auburn, Aurora, Beatrice, Central City, Clarks, Crete, Fairbury, Falls City, Fremont, Fullerton, Geneva, Grand Island, Hebron, Kearney, Lincoln, Nebraska City, Omaha, Palmyra, Silver Creek, Springfield, St. Paul, Strang, Syracuse, Tecumseh, Waco, and York	40	40	2020
Nebraska Aluminum Castings, Inc.	Hastings	1.5	20	2014
Nebraska Beef, Ltd.	Omaha	5.5	40	2013
Nebraska Brewing Company, Inc.	La Vista	1	10	2015
Nebraska Cold Storage, LLC	Hastings	3	30	2020
Nebraska Furniture Mart, Inc.	Omaha	10	100	2015
Nebraska Plastics, Inc.	Cozad	1	10	2013
NebraskaLink Holdings, LLC	Statewide	20.4	39	2014
NEDAK Ethanol, LLC	Atkinson and O'Neill	54	34	2007
Nedelco, Inc. & Subsidiaries	Aurora, Doniphan, Giltner, Grand Island, Hampton, Hordville, Marquette, Phillips, Stockham, and Trumbull	3	30	2016
Nelnet, Inc. & Subsidiaries	Bellevue and Lincoln	11	100	2018
Nelnet, Inc. & Subsidiaries	Bellevue and Lincoln	11	200	2011
Nelnet, Inc. & Subsidiaries	Omaha	3	300	2014
Neogen Corporation & Subsidiaries	Lincoln	3	30	2014
Nestle Purina PetCare Company	Crete	63	100	2016
New Age Manufacturing, Inc.	Omaha and Plattsmouth	2.5	12	2017
NewStar Sourcing and Service, LLC	Omaha	3	30	2017
NexGen Outfitters, LLC	Sidney	3	30	2018
NFM Custom Countertops, LLC	Omaha	1	10	2020
No Coast Brewing, LLC	Hastings	1	10	2016
Noah's Ark Processors, LLC	Hastings	3	30	2019
Noah's Ark Processors, LLC	Hastings	0	125	2018
Norfolk Iron & Metal Co.	Norfolk	10	30	2013
Norland International, Inc.	Lincoln	0	30	2016
North End Teleservices, LLC	Omaha	3	30	2018
Northstar Financial Services Group, LLC	Fremont, Omaha, and Papillion	5.3	95	2007
Northstar Financial Services Group, LLC	Fremont, Omaha, and Papillion	12	100	2014
Nova-Tech, Inc.	Grand Island	1	10	2011
Nova-Tech, Inc.	Grand Island	7.9	10	2020
Novartis Pharmaceuticals Corp. & Affiliates	Lincoln	68	119	2007
Novozymes Blair, Inc.	Blair	110	100	2008
Nucor Corporation	Norfolk	12	100	2020
Nucor Corporation	Norfolk	12	100	2014
Oath Holdings, Inc.	Omaha	39	30	2020
Oath Holdings, Inc.	La Vista	40	0	2020
OCl Insurance & Financial Services, Inc.	Omaha	3	30	2018
OCT Pipe, LLC	Norfolk	111	100	2016
Olsson, Inc.	Lincoln	3	30	2019
Omaha Box Company	Omaha and Papillion	40	20	2019

Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
Omaha Financial Holdings, Inc.	Blair, La Vista, Lincoln, and Omaha	5.9	50	2008
Omaha National Group, LLC	Omaha	3.5	57	2017
Omaha Steaks International, Inc.	Bellevue, Omaha, and Snyder	13.9	100	2015
OneStaff Medical LLC	Omaha	0	30	2017
Open Range Beef, LLC	Gordon	12	100	2014
ORI Great West Holdings, Inc.	Grand Island and South Sioux City	4	30	2012
Original Equipment Co.	Scottsbluff	5.1	50	2019
Orthman Manufacturing, Inc.	Lexington	0	100	2014
Orthman Manufacturing, Inc.	Lexington	3	30	2019
OTTR, Inc.	Omaha	1	10	2017
Oxbow Enterprises, Inc.	Ashland, Murdock, Omaha, Papillion, Syracuse, and West Point	3	30	2014
Pacha Soap Co.	Hastings	1	10	2016
Pacific Ethanol, Inc.	Aurora	12	100	2017
Pacific Life Insurance Company	Omaha	12	100	2016
Parker Hannifin Corporation	Alliance and McCook	3	30	2018
PayPal, Inc.	Bellevue and La Vista	42.5	1997	2007
PayPal, Inc.	La Vista	92.4	231	2019
PCE, Inc.	Lincoln	12	100	2016
Pellet Technology USA, LLC	York	20.1	100	2016
Pen-Link, Ltd.	Lincoln	1	10	2018
Pen-Link, Ltd.	Ashland and Lincoln	1	10	2012
Pet Friendly Direct, LLC	Omaha and Papillion	3	200	2019
Peter Kiewit Sons', Inc. & Subsidiaries	Lincoln, Omaha, and Papillion	106	100	2014
PetIQ, LLC	Omaha	12	100	2020
Pharmaceutical Technologies, Inc.	Bellevue and Omaha	6.4	36	2007
Phillips Manufacturing Company	Omaha	1	10	2014
Physicians Mutual Insurance Company	Bellevue and Omaha	3	30	2020
Pinnacle Bancorp, Inc.	Arnold, Aurora, Beatrice, Benkelman, Central City, Columbus, Crete, Elkhorn, Elwood, Fairfield, Fremont, Grand Island, Grant, Gretna, Hastings, Hayes Center, Humphrey, Imperial, La Vista, Lexington, Lincoln, Louisville, Madison, McCook, Mitchell, Neligh, O'Neill, Ogallala, Omaha, Osceola, Palmer, Papillion, Roseland, Schuyler, Shelby, Valentine, Verdigre, Waverly, and Wisner	12	100	2019
Pioneer Hi-Bred International, Inc.	Doniphan, Grand Island, Hastings, Seward, Stromsburg, and York	11	100	2015
Prairie Breeze Wind Energy II LLC	Albion and Elgin	120	0	2017
Prairie Breeze Wind Energy III LLC	Elgin	58	0	2017
Prairie Breeze Wind Energy LLC	Elgin, Meadow Grove, and Petersburg	390	0	2015
Prairie Catalytic, LLC	Columbus	1	10	2017
Preferred Popcorn, LLC	Chapman and Grand Island	1	10	2017
Premier Senior Marketing, Inc.	Norfolk	3	30	2013
Prime Metal Products, Inc.	Gering	3	30	2020
Prime Time Healthcare, LLC	La Vista and Omaha	3	30	2017
Prince Agri Products, Inc.	Omaha	1	10	2018
Principle Choice Solutions, LLC	Bellevue and Omaha	0	30	2020
Product Support Solution, Inc.	Omaha	1	14	2017
Professional Research Consultants, Inc.	Omaha	3	30	2007
Professional Research Consultants, Inc.	Omaha	3	30	2019
Proxibid, Inc.	Bellevue, Omaha, and South Sioux City	3	30	2013
Q2 Software, Inc.	Lincoln	4.5	30	2017
QMK International, LLC	West Point	3	30	2019
Quality Pork International, Inc.	Omaha	10	100	2008
Quality Pork International, Inc.	Omaha	8	30	2017
Quality Refrigerated Services, Inc.	Omaha	15.8	115	2018
Quantum Market Research, Inc.	Omaha	0	30	2019
Quin Global US, Inc.	Omaha	3	30	2019
Qwest Corporation	Omaha	0	30	2015
Rae Valley Financials, Inc.	Columbus, O'Neill, Omaha, and Petersburg	3	30	2016
Rattlesnake Creek Wind Project LLC	Allen, Concord, Emerson, Wakefield, and Waterbury	470	0	2019
Raven Northbrook, LLC	Papillion and Springfield	200	30	2017
Raven Northbrook, LLC	Papillion and Springfield	34	0	2017
RD America, LLC	La Vista	10	50	2018
RD Industries, Inc.	Omaha	1	10	2015
Readytech-Go, Inc.	Fremont	3	30	2019
Realm Five, Inc.	Lincoln	2.6	26	2018
Rebellion Fabrication, LLC	Wahoo	3	30	2020
Reinke Management Company & Subsidiaries	Deshler	3	30	2013

Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
ReSource Pro Services, LLC	Lincoln	3.6	73	2015
Richardson Milling, Inc.	South Sioux City	12	10	2017
RKBWLG, LLC	Bennington	1	10	2017
Rotella's Italian Bakery, Inc.	La Vista	10	30	2007
Rotella's Italian Bakery, Inc.	La Vista	12	100	2015
Royal Engineered Composites, Inc.	Minden	6.1	49	2008
Safe Haven Security Services Inc.	Omaha	0	50	2017
SalonCentric, Inc.	La Vista	8.3	30	2014
Sandhills Publishing Company	Lincoln	12.5	100	2007
Sandhills Publishing Company	Lincoln and Sidney	12	100	2015
Score Vision, LLC	Omaha	3	30	2017
Securities America Financial Corporation	La Vista and Omaha	12	100	2014
Security National Corporation	Omaha	4.9	30	2013
Senior Market Sales, Inc.	Omaha	3	30	2012
SensoryEffects Cereal Systems, Inc.	Lincoln	2	10	2015
Sergeant's Pet Care Products, Inc.	Omaha	12.4	123	2013
Sharp Medical Solutions, LLC	Omaha	3	30	2018
Sholes Wind, LLC	Randolph	212	0	2019
Signature Performance, Inc.	Omaha	11	100	2019
Signature Performance, Inc.	Omaha	0	45	2012
SilverStone Group, Inc.	Omaha and Papillion	4.9	30	2018
Silverstone Holdings, Inc.	Omaha	5	30	2007
Silverstone, Inc.	Omaha	1	10	2015
Siouxland Ethanol, LLC	Jackson	41.5	0	2017
Smeal Fire Apparatus Co.	Neligh and Snyder	2.4	30	2007
Smeal Fire Apparatus Co.	Neligh, Omaha, and Snyder	4.9	113	2015
Smithfield Farmland Corp.	Crete	11	100	2017
Smithfield Farmland Corp.	Crete	14	100	2007
Smithfield Packaged Meats Corp. & Subsidiaries	Omaha	1	10	2020
Source Medical Staffing, LLC	Omaha	3	30	2019
Southwest Business Corporation	Scottsbluff	0	500	2017
Speedway Motors, Inc.	Lincoln	11	100	2013
Staska Pharmaceuticals, Inc.	Bennet	1	10	2020
State Steel of Omaha, Inc.	Omaha	4.5	10	2016
Steele Flats Wind Project, LLC	Diller and Odell	138	0	2014
Streck, Inc.	La Vista	10	100	2007
Streck, Inc.	La Vista	12	100	2020
Structural Component Systems, Inc.	Fremont, Lincoln, and Omaha	0	30	2019
Structural Component Systems, Inc.	Fremont, Lincoln, and Omaha	0	30	2014
Stucki Roller Bearing Company	Lincoln	3.6	100	2019
Superior Industries, Inc.	Columbus	12	100	2015
Swift Beef Company	Grand Island	10	100	2007
Swift Beef Company	Grand Island	45	0	2019
Sympateco, Inc.	Omaha	3	30	2012
Syngenta Seeds, Inc.	Omaha and Waterloo	27	10	2008
Syngenta Seeds, Inc.	Aurora, Grand Island, and Phillips	59.9	10	2016
Table Rock Stone Company, LLC	Ralston	1.1	10	2012
TD Ameritrade Holding Corporation & Subsidiaries	Lincoln and Omaha	12	100	2017
TD Ameritrade Holding Corporation & Subsidiaries	Bellevue and Omaha	10	200	2007
Teamster Intermediate Holdings, Inc.	Omaha and Papillion	3	30	2019
Teamster Intermediate Holdings, Inc.	Bellevue, Omaha, and Papillion	2.4	88	2015
Tecumseh Farms, LLC	Tecumseh and Waverly	5	40	2012
TEL Parent, Inc.	Bellevue and Lincoln	1	10	2017
TELCOR, Inc.	Lincoln	2.3	30	2010
Teledyne Technologies Inc. & Subsidiaries	Lincoln and Omaha	3	30	2018
Tenaska, Inc.	Omaha	3	30	2020
Tenneco, Inc.	Seward	10	100	2012
Tetrad Corporation	Geneva and Omaha	150	100	2017
The Buckle, Inc.	Kearney	12	100	2013
The GSI Group, LLC	Omaha	3	30	2019
The James Skinner Co.	Omaha	10	100	2007
The Lincoln National Life Insurance Company	Omaha	0	30	2013
The Scouler Company	Omaha and Seward	51.2	100	2019
The Toro Company & Subsidiaries	Beatrice	3	30	2014
The Travelers Indemnity Company	Papillion	215	30	2013
The Western Sugar Cooperative	Scottsbluff	30	10	2016
Thermo King Corporation	Hastings	4.1	96	2014
Think Aksarben, LLP	Omaha	3.4	43	2014
Thrasher Basement Systems, Inc.	La Vista and Papillion	3	30	2016

Company Name	Project Location	Planned Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
Timpte Industries, Inc.	David City and Lincoln	3	30	2019
Titan Medical Holdings, Inc.	Omaha	3	30	2013
TMCO, Inc.	Lincoln	3	30	2012
TMCO, Inc.	Lincoln	3	30	2019
Toast, Inc.	Omaha	0	500	2018
Todd's BBI International, Inc.	Madison	1.5	15	2019
TPG TeleManagement, Inc.	Omaha	3	30	2018
Tractor Supply Company	Waverly	12	100	2017
TrailManor Manufacturing Company, LLC	Hartington	0	30	2016
Travel & Transport, Inc.	Lincoln and Omaha	3	30	2014
Tri-Con Industries, Ltd.	Lincoln	1	10	2019
Tri-V Tool & Mfg. Co.	Omaha	4.9	59	2015
Triage Staffing Inc.	Omaha	3	30	2018
TwilightLiving.com, Inc.	Omaha	1	32	2018
Tyco Healthcare Group LP	Norfolk	3	30	2013
Tyson Fresh Meats, Inc.	Dakota City	11	100	2010
Tyson Fresh Meats, Inc.	Lexington	3	30	2012
Tyson Fresh Meats, Inc.	Dakota City	36	0	2019
Tyson Processing Services, Inc.	Omaha	1	10	2012
Ubiquity Global Services, Inc.	Omaha	0	30	2014
Unified Pet Products, LLC	West Point	3.1	60	2017
Union Pacific Corporation & Subsidiaries	Statewide	1000	0	2015
Universal GP Holdings, L.P.	Lincoln	9.5	30	2009
Universal Pure, LLC	Lincoln	3	30	2019
Upstream Wind Energy LLC	Clearwater, Neligh, Oakdale, and Tilden	300	0	2018
Valmont Industries, Inc.	Columbus, McCook, Omaha, Valley, Waverly, and West Point	12	100	2019
Verizon Communications, Inc. & Affiliated Companies	Omaha	37	0	2018
Veyance Technologies, Inc.	Norfolk	3	30	2012
Vireo Resources, LLC	Plattsmouth	9	30	2020
VKGS, LLC	Omaha	0	37	2013
VM Innovations, Inc.	Lincoln and Omaha	12	100	2016
Wal-Mart Stores, Inc. & Subsidiaries	Omaha	3	30	2015
Wal-Mart Stores, Inc. & Subsidiaries	Omaha	9.1	440	2007
Warrior Mfg., LLC	Omaha	1	10	2016
Weiland, Inc.	Madison and Norfolk	5	13	2017
Werner Enterprises, Inc.	Omaha	11	100	2012
Werner Enterprises, Inc. & Subsidiaries	Omaha	12	100	2020
West Corporation and Subsidiaries	Omaha	12	100	2017
West Corporation and Subsidiaries	Omaha	140	125	2013
West Gate Banshares, Inc.	Bellevue, Lincoln, and Omaha	0	30	2012
Western Integrated Seed, Inc.	Fremont and Hooper	10	10	2020
WEX, Inc.	Omaha	3	30	2013
Wholestone Farms Cooperative, Inc.	Fremont	108	100	2020
Williams Form Engineering Corp.	Wayne	1	10	2012
Wipro Data Center and Cloud Services, Inc.	Omaha	36	0	2018
Worldlawn Power Equipment, Inc.	Beatrice	3	30	2016
Wright Printing Company	Omaha	3	30	2016
Xpanxion, LLC	Kearney and Lincoln	3	30	2018
Xpanxion, LLC	Kearney, Lincoln, and Loup City	0	30	2015
XXVI Holdings Inc.	Papillion	565	30	2019
XXVI Holdings Inc.	Papillion	35	0	2019
XXVI Holdings Inc.	Lincoln	564	30	2020
XXVI Holdings Inc.	Lincoln	36	0	2020
Xylemer BioProducts, Inc.	Kearney	1	10	2015
Yahoo! Inc.	La Vista and Omaha	100	100	2011
Zeeland Farm Services, Inc. & Affiliate	Cambridge	9.2	10	2018
Zoetis, LLC	Lincoln	67.9	100	2014
<b>Total</b>	<b>494</b>			

# Nebraska Advantage Act

## Summary of Qualified Project Activity

### Reporting Required by Neb. Rev. Stat. § 77-5731(3)

The table below summarizes the activity for projects that have completed a qualification audit, confirming the attainment of required levels of investment or employment, and certain property tax benefits. The table also includes the personal property value exempted prior to attainment of required levels for property at Tier 2 LDC projects and aircraft. The data reported in this table is a subset of the information reported in Summary of Investment and Employment by Applicants with Active Signed Agreements, by Industry table. The data is reported based on the year that DOR processes the claim for benefits.

Each yearly column represents the activity of companies that have completed a qualification audit as of the end of that year. For example, the category below, "Tax Credits Earned: Compensation Credits," reported in 2020 include compensation credits approved in 2020 for all 208 companies with a completed qualification audit as of the end of 2020 (including those companies that had a qualification audit between 2006 and 2019). If a qualification audit was issued in 2020, the amounts from that audit are reported in 2020 even though the audit may include compensation credits earned by the applicant for wages paid in 2019 or earlier.

The category, "Number of Qualifying Projects (Cumulative)," reflects a running total of the number of projects for each year according to when qualification audits were completed and minimum levels were confirmed. For example, from 2006-2016, after audits were completed, 114 projects were confirmed as having met minimum levels and approved as eligible to receive benefits. An additional 17 projects were audited and approved in 2017 for a total of 131, and the 208 projects reflected in 2020 are the cumulative total from 2006 through 2020. Completed projects, which have exhausted or expired all tax benefits, are included in the cumulative total.

The category, "Property Tax Benefits: Value of Real Property Reimbursed," reflects the value of real property for which investment or compensation credits were used to obtain a reimbursement from DOR equal to real property taxes paid. To date, no projects have received a reimbursement of real property tax paid.

The category, "Increase in New Jobs at Qualifying Projects (FTE)," is not a running total, but the actual number of new jobs reported by the projects in each year. For example, from 2006-2016, the 94 projects added 13,993 new employees. In 2017, the 131 projects (three approved from 2006-2008, six approved in 2009, 12 approved in 2010, 12 approved in 2011, 12 approved in 2012, 12 approved in 2013, 16 approved in 2014, 21 approved in 2015, 20 approved in 2016, and 17 approved in 2017) added 2,344 additional new employees. The number of new jobs reported for the year is the net number for all projects reporting. The decline in number of new jobs reported by one project is netted against the increase in the number of new employees. Generally, the largest increase in FTEs will occur at the beginning of a project as new employees are hired so that the project will attain at least the minimum required levels. Throughout the entitlement period, the increase in new FTEs may slow, stop, or reverse, but the project must continue to maintain the minimum required level of FTEs to avoid recapture.



**Summary of Qualified Project Activity**  
Reporting Required by Neb. Rev. Stat. § 77-5731(3)

Category	2006-2016	2017	2018	2019	2020	Total
Number of Qualifying Projects (Cumulative)	114	131	154	180 <sup>1</sup>	208	N/A
<b>Tax Credits Earned:</b>						
Investment Credits	\$673,807,343	\$35,908,487	\$49,855,843	\$66,447,274 <sup>2</sup>	\$243,032,166 <sup>2</sup>	\$1,069,051,113
Compensation Credits	168,583,012	27,137,726	28,072,672	43,338,922	46,804,988	313,937,320
<b>Total Tax Credits Earned</b>	<b>\$842,390,355</b>	<b>\$63,046,213</b>	<b>\$77,928,515</b>	<b>\$109,786,196 <sup>2</sup></b>	<b>\$289,837,154 <sup>2</sup></b>	<b>\$1,382,988,433</b>
<b>Tax Credits Used:</b>						
Corporation Income Tax	\$149,458,533	\$12,565,864 <sup>3</sup>	\$15,894,220 <sup>3</sup>	\$31,062,922 <sup>3</sup>	\$35,135,227	\$244,116,766
Individual Income Tax	24,288,595	3,001,295 <sup>4</sup>	3,518,485 <sup>4</sup>	3,416,171 <sup>5</sup>	3,781,807 <sup>5</sup>	38,006,353
Subtotal Income Tax	<b>\$173,747,128</b>	<b>\$15,567,159</b>	<b>\$19,412,705</b>	<b>\$34,479,093</b>	<b>\$38,917,034</b>	<b>\$282,123,119</b>
Sales/Use Tax Refunds	\$81,249,115	\$17,396,165	\$31,680,384	\$35,677,465	\$30,976,106	\$196,979,235
Income Tax Withholding	107,610,694	19,596,566	27,948,476	31,310,391	20,422,530	206,888,657
Real Property Tax	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Tax Credits Used</b>	<b>\$362,606,937</b>	<b>\$52,559,890</b>	<b>\$79,041,565</b>	<b>\$101,466,949</b>	<b>\$90,315,670</b>	<b>\$685,991,011</b>
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	\$6,000,608	\$0	\$3,525,122	\$1,576,832	\$11,640,038	\$22,742,600
<b>Tax Credits Outstanding<sup>6</sup></b>	<b>\$473,782,810</b>	<b>\$10,486,323</b>	<b>(\$4,638,171)</b>	<b>\$6,742,414</b>	<b>\$187,881,446</b>	<b>\$674,254,822</b>
Qualified Capital Investment	\$7,395,254,894	\$728,655,488	\$2,617,285,127	\$1,193,582,016 <sup>2</sup>	\$2,846,031,079 <sup>2</sup>	\$14,780,808,604
Direct Sales/Use Tax Refunds on Investment	\$158,969,080	\$28,278,301	\$77,456,609	\$53,449,350	\$53,688,434 <sup>7</sup>	\$371,841,774 <sup>7</sup>
Sales/Use Tax Refunds Pending Approval	N/A	N/A	N/A	N/A	\$53,357,980	\$53,357,980
Recapture Repaid	\$6,297,203	\$462,038 <sup>8</sup>	\$4,692,972 <sup>8</sup>	\$2,120,687	\$1,791,884	\$15,364,784
<b>Property Tax Benefits:</b>						
Personal Property Value Exempted	\$5,160,843,800	\$896,514,131	\$726,548,755	\$770,658,223	\$1,341,713,859	\$8,896,278,768
Value of Real Property Reimbursed	\$0	\$0	\$0	\$0	\$0	\$0
Increase in New Jobs at Qualifying Projects (FTE) <sup>9</sup>	13,993	2,344	2,489	3,419	3,294	25,539

<sup>1</sup>Correction from prior annual report.

<sup>2</sup>To maintain confidentiality, Investment Credits earned and Qualified Capital Investment in 2019 by Non-Durable Product Manufacturing are added to 2020 and included in the total and other dependent figures.

<sup>3</sup>To maintain confidentiality, credits used in 2017 and 2018 for Corporation Income Tax by companies in industry group 52-Finance & Insurance Services are added to 2019 and included in the total and other dependent figures.

<sup>4</sup>To maintain confidentiality, Individual Income Tax tax credits used, but not reported in 2017 by Other Manufacturing are added to 2018 and included in the total and other dependent figures.

<sup>5</sup>To maintain confidentiality, Individual Income Tax tax credits used in 2019 by Other Manufacturing are added to 2020 included in the total and other dependent figures.

<sup>6</sup>The Tax Credits Outstanding value equals the value of tax credits that have been earned by taxpayers that have completed a qualification audit less tax credits used, recaptured, and expired; and is an indication of tax credits which could potentially be used. This amount does not include other potential tax credits to be earned by applicants that have not completed a qualification audit. Historically, not all credits earned have been used. See Employment and Investment Growth Act Summary of Qualified Project Activity.

<sup>7</sup>To maintain confidentiality, Direct Sales/Use Tax Refunds on Investment paid in 2020 to Other Manufacturing is not reported and not included in the total or other dependent figures.

<sup>8</sup>To maintain confidentiality, Recapture Repaid, but not reported, in 2017 by companies included in Non-Manufacturing industry groups is added to 2018 and included in the total.

<sup>9</sup>FTE = Full-time Equivalent

# Personal Property Value Exempted by Class, by County

## Reporting Required by Neb. Rev. Stat. § 77-5731(3)(n)

The amounts stated are the value of the personal property exempted, not the tax amount levied. To estimate the tax amount, the average tax rate by county for each year can be found on DOR's website. The actual amount of taxes levied is determined by applying the levy rate for the tax district in which the property is situated against the value of that property. If personal property had not been exempted, however, the levy rate may have been lower.

Property Class	2006-2016	2017	2018	2019	2020	Total
<b>Agricultural Product Processing Equipment:</b>						
Dakota	\$80,450,976	\$58,052,043	\$75,208,254	\$75,984,754	\$40,870,665	\$330,566,692
Douglas	24,945,442	6,111,200	12,615,257	0	15,849,705	59,521,604
Hall	18,828,753	18,004,805	0	0	0	36,833,558
Platte	2,500,612,040	231,949,159	183,456,694	122,960,510	0	3,038,978,403
Saline	40,759,317	15,583,988	11,967,446	0	0	68,310,751
Washington	<u>1,042,708,553</u>	<u>105,103,133</u>	<u>91,007,595</u>	<u>81,995,176</u>	<u>38,094,688</u>	<u>1,358,909,145</u>
<b>Total</b>	<b>\$3,708,305,081</b>	<b>\$434,804,328</b>	<b>\$374,255,246</b>	<b>\$280,940,440</b>	<b>\$94,815,058</b>	<b>\$4,893,120,153</b>
<b>Aircraft:</b>						
Buffalo	\$4,551,114	\$0	\$0	\$65,164	\$32,516	\$4,648,794
Douglas	103,752,945	24,642,019	24,092,814	12,351,899	33,138,647	197,978,324
Hall	0	0	0	0	1,870,240	1,870,240
Lancaster	<u>7,051,576</u>	<u>946,650</u>	<u>315,550</u>	<u>0</u>	<u>0</u>	<u>8,313,776</u>
<b>Total</b>	<b>\$115,355,635</b>	<b>\$25,588,669</b>	<b>\$24,408,364</b>	<b>\$12,417,063</b>	<b>\$35,041,403</b>	<b>\$212,811,134</b>
<b>Computer Systems and Peripherals:</b>						
Buffalo	\$0	\$0	\$0	\$157,764	\$133,936	\$291,700
Douglas	145,914,699	64,937,369	92,396,189	63,391,217	57,968,426	424,607,900
Hall	20,078	238,436	0	0	1,354,332	1,612,846
Lancaster	6,858,514	946,334	945,813	3,251,686	1,610,969	13,613,316
Madison	0	0	0	0	1,954,237	1,954,237
Sarpy	1,008,120,639	270,056,052	208,724,372	371,146,991	952,930,632	2,810,978,686
Washington	<u>12,301,716</u>	<u>3,398,618</u>	<u>2,968,231</u>	<u>3,455,810</u>	<u>2,382,616</u>	<u>24,506,991</u>
<b>Total</b>	<b>\$1,173,215,646</b>	<b>\$339,576,809</b>	<b>\$305,034,605</b>	<b>\$441,403,468</b>	<b>\$1,018,335,148</b>	<b>\$3,277,565,676</b>
<b>Distribution Facility Equipment:</b>						
Buffalo	\$0	\$0	\$0	\$1,053,641	\$812,875	\$1,866,516
Douglas	3,838,643	665,585	1,596,388	1,697,865	1,977,313	9,775,794
Madison	0	0	0	0	9,400,301	9,400,301
Saline	<u>241,914</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>241,914</u>
<b>Total</b>	<b>\$4,080,557</b>	<b>\$665,585</b>	<b>\$1,596,388</b>	<b>\$2,751,506</b>	<b>\$12,190,489</b>	<b>\$21,284,525</b>
<b>Other Personal Property:</b>						
Douglas	\$24,043,763	\$10,340,888	\$10,902,896	(\$6,376,780)	\$6,457,528	\$45,368,295
Sarpy	<u>135,843,118</u>	<u>85,537,852</u>	<u>10,351,256</u>	<u>39,522,526</u>	<u>174,874,233</u>	<u>446,128,985</u>
<b>Total</b>	<b>\$159,886,881</b>	<b>\$95,878,740</b>	<b>\$21,254,152</b>	<b>\$33,145,746</b>	<b>\$181,331,761</b>	<b>\$491,497,280</b>
<b>Total</b>	<b>\$5,160,843,800</b>	<b>\$896,514,131</b>	<b>\$726,548,755</b>	<b>\$770,658,223</b>	<b>\$1,341,713,859</b>	<b>\$8,896,278,768</b>

# Nebraska Advantage Act Industry Sector Codes and Application Tier of Projects with Active Signed Agreements

## Reporting Required by Neb. Rev. Stat. § 77-5731(3)(a)

Each project with a signed agreement is categorized by the primary business activity based on the [North American Industry Classification System \(NAICS\)](#), grouped by industry, and also grouped by tier selected. The table does not include agreements that are no longer in effect because the agreement has been withdrawn or discontinued by the taxpayer, or the project has been completed.

Industry Sector Code, Major Industry Group Titles	Tier	Number of Companies
<b>22, 23, 327</b> – Utilities; Construction; and Nonmetallic Mineral Product Manufacturing	Tier 1	7
	Tier 2	4
	Tier 4	1
	Tier 5	1
	Tier 5RE	9
	Tier 6	1
<b>311, 312</b> – Food and Beverage Manufacturing	Tier 1	24
	Tier 2	20
	Tier 2WP/DC	1
	Tier 3	1
	Tier 4	19
	Tier 5	3
<b>314, 322, 323, 325, 326</b> – Textile Product Mills; Paper Manufacturing; Printing and Related Support Activities; Chemical Manufacturing; Plastics and Rubber Product Manufacturing	Tier 1	19
	Tier 2	18
	Tier 2WP/DC	2
	Tier 4	10
	Tier 5	3
	Tier 6	2
<b>321, 331, 332</b> – Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing	Tier 1	14
	Tier 2	9
	Tier 2WP/DC	1
	Tier 3	4
	Tier 4	8
	Tier 6	2
<b>333, 334, 335, 336, 337, 339</b> – Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture, and Related Product; and Miscellaneous Manufacturing	Tier 1	28
	Tier 2	34
	Tier 2WP/DC	4
	Tier 3	4
	Tier 4	13
	Tier 6	1
<b>42, 44-45</b> – Wholesale Trade; Retail Trade	Tier 1	1
	Tier 2	13
	Tier 2WP/DC	3
	Tier 4	4
<b>48, 49</b> – Transportation and Warehousing Services	Tier 2	9
	Tier 4	8
	Tier 5	2

Industry Sector Code, Major Industry Group Titles	Tier	Number of Companies
51 – Information Services	Tier 1	1
	Tier 2	5
	Tier 2LDC	3
	Tier 2WP/DC	2
	Tier 3	1
	Tier 4	11
	Tier 5	2
	Tier 5LDC	3
	Tier 5WP/DC	5
52 – Finance and Insurance Services	Tier 2	22
	Tier 2LDC	1
	Tier 2WP/DC	12
	Tier 3	5
	Tier 4	16
	Tier 5	3
54, 56, 62, 81 – Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services	Tier 1	14
	Tier 2	35
	Tier 2WP/DC	13
	Tier 3	17
	Tier 4	11
	Tier 5	1
TOTAL		494

# Nebraska Advantage Act Benefits Approved, by Industry 2020

## Reporting Required by Neb. Rev. Stat. § 77-5731(3)

These tables include the data reported for projects that have completed a qualification audit that confirms the minimum required levels of investment and employment were attained. Each project is categorized by the principal business activity based on the North American Industry Classification System (NAICS), grouped by industry, and the information is reported by industry group. Industry groups containing information from less than three taxpayers are combined with at least one other industry group to prevent disclosure of confidential information. In the following tables, the first table summarizes the 2020 activity by Manufacturing and Non-Manufacturing. Each of the next tables provides detailed activity by industry group. The industry groups are combined as footnoted.

Category	Manufacturing <sup>1</sup>	Non-Manufacturing <sup>2</sup>	Total
Number of Qualifying Projects	115	93	<b>208</b>
<b>Tax Credits Earned:</b>			
Investment Credits	\$31,125,814 <sup>3</sup>	\$211,906,352	<b>\$243,032,166 <sup>3</sup></b>
Compensation Credits	<u>15,394,902</u>	<u>31,410,086</u>	<b>46,804,988</b>
<b>Total Tax Credits Earned</b>	<b>\$46,520,716 <sup>3</sup></b>	<b>\$243,316,438</b>	<b>\$289,837,154 <sup>3</sup></b>
<b>Tax Credits Used:</b>			
Corporation Income Tax	\$14,069,394	\$21,065,833	<b>\$35,135,227</b>
Individual Income Tax	<u>3,363,195 <sup>4</sup></u>	<u>418,612</u>	<b>3,781,807 <sup>4</sup></b>
<b>Subtotal Income Tax</b>	<b>\$17,432,589 <sup>4</sup></b>	<b>\$21,484,445</b>	<b>\$38,917,034 <sup>4</sup></b>
Sales/Use Tax Refunds	\$5,333,957	\$25,642,149	<b>\$30,976,106</b>
Income Tax Withholding	6,101,352	14,321,178	<b>20,422,530</b>
Real Property Tax	0	0	0
<b>Total Tax Credits Used</b>	<b>\$28,867,898 <sup>4</sup></b>	<b>\$61,447,772</b>	<b>\$90,315,670 <sup>4</sup></b>
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	\$-- <sup>5</sup>	\$-- <sup>5</sup>	<b>\$11,640,038</b>
Tax Credits Outstanding	\$-- <sup>5</sup>	\$-- <sup>5</sup>	<b>\$187,881,446 <sup>3,4</sup></b>
Qualified Capital Investment	\$450,499,682 <sup>3</sup>	\$2,395,531,397	<b>\$2,846,031,079 <sup>3</sup></b>
Direct Sales/Use Tax Refunds on Investment	\$8,615,665 <sup>6</sup>	\$45,072,770	<b>\$53,688,434 <sup>6</sup></b>
Sales/Use Tax Refunds Pending Approval	\$18,843,320	\$34,514,660	<b>\$53,357,980</b>
Recapture Repaid	\$1,129,800	\$662,084	<b>\$1,791,884</b>
<b>Property Tax Benefits:</b>			
Personal Property Value Exempted	\$146,962,043	\$1,194,751,816	<b>\$1,341,713,859</b>
Value of Real Property Reimbursed	\$0	\$0	\$0
Increase in New Jobs at Qualifying Projects (FTE) <sup>7</sup>	771	2,523	<b>3,294</b>
Estimated Average Wage of New Jobs <sup>8</sup>	\$43,914	\$62,454	<b>\$57,388</b>

<sup>1</sup>The industry groups included in Manufacturing are:

**22, 23, 327** – Utilities, Construction, and Nonmetallic Mineral Product Manufacturing;

**311, 312** – Food and Beverage Manufacturing;

**314, 322, 323, 325, 326** – Textile Product Mills, Paper Manufacturing, Printing and Related Support Activities, Chemical Manufacturing, and Plastics and Rubber Products Manufacturing;

**321, 331, 332** – Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing; and

**333, 334, 335, 336, 337, 339** – Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture and Related Product; and Miscellaneous Product Manufacturing.

<sup>2</sup>The industry groups included in Non-Manufacturing are:

**42, 44-45** – Wholesale Trade, and Retail Trade;

**48,49** – Transportation and Warehousing Services;

**51** – Finance & Insurance Services;

**54, 56, 62, 81** – Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services.

<sup>3</sup>To maintain confidentiality, Investment Credits earned and Qualified Capital Investment not reported in 2019 by Non-Durable Product Manufacturing are added to 2020 and included in the total and other dependent figures.

<sup>4</sup>To maintain confidentiality, Individual Income Tax tax credits used and not reported in 2019 by Other Manufacturing are added to 2020 included in the total and other dependent figures.

<sup>5</sup>To maintain confidentiality, the Tax Credits Recaptured from Credit Balances, Tax Credits Expired, and Tax Credits Outstanding are reported in total, not by industry group.

<sup>6</sup>To maintain confidentiality, Direct Sales/Use Tax Refunds on Investment paid in 2020 to Other Manufacturing is not reported and not included in the total or other dependent figures.

<sup>7</sup>FTE = Full-time equivalent.

<sup>8</sup>The estimated average wage of new jobs is calculated by multiplying positive FTE growth by the average wage of each project to determine the estimated compensation. The sum of estimated compensation for all projects in the industry group is divided by the total positive FTE growth of the industry group.

## Benefits Approved, Manufacturing Industries, 2020

Category	311, 312 - Food and Beverage Manufacturing	Non-Durable Product Manufacturing <sup>1</sup>	Machinery & Miscellaneous Manufacturing <sup>2</sup>	Other Manufacturing <sup>3</sup>	Manufacturing Total
Number of Qualifying Projects	27	23	39	26	115
<b>Tax Credits Earned:</b>					
Investment Credits	\$16,973,833	\$4,206,694 <sup>4</sup>	(\$950,577)	\$10,895,864	\$31,125,814 <sup>4</sup>
Compensation Credits	<u>4,216,132</u>	<u>241,949</u>	<u>3,104,051</u>	<u>7,832,770</u>	<u>15,394,902</u>
<b>Total Tax Credits Earned</b>	<b>\$21,189,965</b>	<b>\$4,448,643<sup>4</sup></b>	<b>\$2,153,474</b>	<b>\$18,728,634</b>	<b>\$46,520,716<sup>4</sup></b>
<b>Tax Credits Used:</b>					
Corporation Income Tax	\$2,204,693	\$4,441,576	\$6,469,554	\$953,571	\$14,069,394
Individual Income Tax	<u>2,303,504</u>	<u>315,013</u>	<u>262,934</u>	<u>481,744<sup>5</sup></u>	<u>3,363,195<sup>5</sup></u>
<b>Subtotal Income Tax</b>	<b>\$4,508,197</b>	<b>\$4,756,589</b>	<b>\$6,732,488</b>	<b>\$1,435,315<sup>5</sup></b>	<b>\$17,432,589<sup>5</sup></b>
Sales/Use Tax Refunds	\$687,098	\$3,186,485	\$1,042,858	\$417,517	\$5,333,957
Income Tax Withholding	2,756,001	191,491	2,336,159	817,701	6,101,352
Real Property Tax	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Tax Credits Used</b>	<b>\$7,951,296</b>	<b>\$8,134,565</b>	<b>\$10,111,505</b>	<b>\$2,670,533<sup>5</sup></b>	<b>\$28,867,898<sup>5</sup></b>
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>
Tax Credits Outstanding	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>
Qualified Capital Investment	\$256,673,539	\$49,958,179 <sup>4</sup>	\$51,816,910	\$92,051,054	\$450,499,682 <sup>4</sup>
Direct Sales/Use Tax Refunds on Investment	\$260,194	\$0 <sup>7</sup>	\$107,968	\$8,247,503	\$8,615,665 <sup>7</sup>
Sales/Use Tax Refunds Pending Approval	\$2,682,205	\$4,521,970	\$344,466	\$11,294,678	\$18,843,320
Recapture Repaid	\$-- <sup>8</sup>	\$-- <sup>8</sup>	\$-- <sup>8</sup>	\$-- <sup>8</sup>	\$1,129,800
<b>Property Tax Benefits:</b>					
Personal Property Value Exempted	\$66,014,859	\$38,094,688	\$3,563,575	\$39,288,921	\$146,962,043
Value of Real Property Reimbursed	\$0	\$0	\$0	\$0	\$0
Increase in New Jobs at Qualifying Projects (FTE) <sup>9</sup>	426	1	250	94	771
Estimated Average Wage of New Jobs <sup>10</sup>	\$38,655	N/A	\$43,777	\$60,954	\$43,914

<sup>1</sup>The full title of this industry group is **314, 322, 323, 325, 326** – Textile Product Mills, Paper Manufacturing, Printing and Related Support Activities, Chemical Manufacturing, and Plastics and Rubber Products Manufacturing.

<sup>2</sup>The full title of this industry group is **333, 334, 335, 336, 337, 339** – Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture and Related Product; and Miscellaneous Product Manufacturing.

<sup>3</sup>To maintain confidentiality, the following industry groups are combined in Other Manufacturing:  
**22, 23, 327** – Utilities, Constructions, and Nonmetallic Mineral Product Manufacturing; and  
**321, 331, 332** – Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing.

<sup>4</sup>To maintain confidentiality, Investment Credits earned and Qualified Capital Investment not reported in 2019 by Non-Durable Product Manufacturing are added to 2020 and included in the total and other dependent figures.

<sup>5</sup>To maintain confidentiality, Individual Income Tax tax credits used, but not reported, in 2019 by Other Manufacturing are added to 2020 and included in the total and other dependent figures.

<sup>6</sup>To maintain confidentiality, the Tax Credits Recaptured from Credit Balances, Tax Credits Expired, and Tax Credits Outstanding are reported in total, not by industry group.

<sup>7</sup>To maintain confidentiality, Direct Sales/Use Tax Refunds on Investment paid in 2020 to Other Manufacturing is not reported and not included in the total or other dependent figures.

<sup>8</sup>To maintain confidentiality, Recapture Repaid is not reported by individual industry group.

<sup>9</sup>FTE = Full-time equivalent.

<sup>10</sup>The estimated average wage of new jobs is calculated by multiplying positive FTE growth by the average wage of each project to determine the estimated compensation. The sum of estimated compensation for all projects in the industry group is divided by the total positive FTE growth of the industry group.

## Benefits Approved, Non-Manufacturing Industries, 2020

Category	52-Finance & Insurance Services	Professional & Miscellaneous Services <sup>1</sup>	Other Non-Manufacturing <sup>2</sup>	Non-Manufacturing Total
Number of Qualifying Projects	26	38	29	93
Tax Credits Earned:				
Investment Credits	\$11,040,283	\$1,926,550	\$198,939,519	<b>\$211,906,352</b>
Compensation Credits	<u>13,080,232</u>	<u>10,429,995</u>	<u>7,899,859</u>	<b>31,410,086</b>
<b>Total Tax Credits Earned</b>	<b>\$24,120,515</b>	<b>\$12,356,545</b>	<b>\$206,839,378</b>	<b>\$243,316,438</b>
Tax Credits Used:				
Corporation Income Tax	\$10,806,984	\$101,444	\$10,157,405	<b>\$21,065,833</b>
Individual Income Tax	<u>302,649</u>	<u>53,401</u>	<u>62,562</u>	<b>418,612</b>
<b>Subtotal Income Tax</b>	<b>\$11,109,633</b>	<b>\$154,845</b>	<b>\$10,219,967</b>	<b>\$21,484,445</b>
Sales/Use Tax Refunds	\$17,410,796	\$2,368,400	\$5,862,953	<b>\$25,642,149</b>
Income Tax Withholding	5,860,175	5,619,478	2,841,525	<b>14,321,178</b>
Real Property Tax	<u>0</u>	<u>0</u>	<u>0</u>	<b>0</b>
<b>Total Tax Credits Used</b>	<b>\$34,380,604</b>	<b>\$8,142,723</b>	<b>\$18,924,445</b>	<b>\$61,447,772</b>
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	\$-- <sup>3</sup>	\$-- <sup>3</sup>	\$-- <sup>3</sup>	\$-- <sup>3</sup>
Tax Credits Outstanding	\$-- <sup>3</sup>	\$-- <sup>3</sup>	\$-- <sup>3</sup>	\$-- <sup>3</sup>
Qualified Capital Investment	\$202,701,008	\$21,051,195	\$2,171,779,194	<b>\$2,395,531,397</b>
Direct Sales/Use Tax Refunds on Investment	\$22,459,808	\$1,114,450	\$21,498,511	<b>\$45,072,770</b>
Sales/Use Tax Refunds Pending Approval	\$28,235,953	\$403,972	\$5,874,735	<b>\$34,514,660</b>
Recapture Repaid	\$-- <sup>4</sup>	\$-- <sup>4</sup>	\$-- <sup>4</sup>	<b>\$662,084</b>
Property Tax Benefits:				
Personal Property Value Exempted	\$181,078,682	\$11,083,372	\$1,002,589,762	<b>\$1,194,751,816</b>
Value of Real Property Reimbursed	\$0	\$0	\$0	<b>\$0</b>
Increase in New Jobs at Qualifying Projects (FTE) <sup>5</sup>	1,051	656	816	<b>2,523</b>
Estimated Average Wage of New Jobs <sup>6</sup>	\$68,322	\$57,262	\$59,580	\$62,454
<sup>1</sup> The full title of this industry group is <b>54, 56, 62, 81</b> – Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services.				
<sup>2</sup> To maintain confidentiality, the following industry groups are combined in Other Non-Manufacturing:				
<b>42, 44-45</b> – Wholesale Trade, and Retail Trade;				
<b>48, 49</b> – Transportation and Warehousing Services; and				
<b>51</b> – Information Services.				
<sup>3</sup> To maintain confidentiality, the Tax Credits Recaptured from Credit Balances, Tax Credits Expired, Tax Credits Outstanding, and Recapture Repaid are reported in total, not by industry group.				
<sup>4</sup> To maintain confidentiality, Recapture Repaid is not reported by individual industry group.				
<sup>5</sup> FTE = Full-time equivalent.				
<sup>6</sup> The estimated average wage of new jobs is calculated by multiplying positive FTE growth by the average wage of each project to determine the estimated compensation. The sum of estimated compensation for all projects in the industry group is divided by the total positive FTE growth of the industry group.				



# Nebraska Advantage Act Benefits Approved, by Industry Cumulative 2006-2020

Reporting Required by Neb. Rev. Stat. § 77-5731(3)

In the following tables, the first table summarizes the cumulative activity by Manufacturing and Non-Manufacturing. Each of the next tables provides detailed activity by industry group. The industry groups are titled and combined as footnoted.

## Benefits Approved, All Industries, 2006 - 2020

Category	Manufacturing <sup>1</sup>	Non-Manufacturing <sup>2</sup>	Total
Number of Qualifying Projects	115	93	208
<b>Tax Credits Earned:</b>			
Investment Credits	\$553,069,522 <sup>3</sup>	\$515,981,591	\$1,069,051,113 <sup>3</sup>
Compensation Credits	119,754,597	194,182,723	313,937,320
<b>Total Tax Credits Earned</b>	<b>\$672,824,119 <sup>3</sup></b>	<b>\$710,164,314</b>	<b>\$1,382,988,433 <sup>3</sup></b>
<b>Tax Credits Used:</b>			
Corporation Income Tax	\$116,939,990	\$127,176,776	\$244,116,766
Individual Income Tax	21,628,416	16,377,937 <sup>4</sup>	38,006,353 <sup>4</sup>
<b>Subtotal Income Tax</b>	<b>\$138,568,406</b>	<b>\$143,554,713 <sup>4</sup></b>	<b>\$282,123,119 <sup>4</sup></b>
Sales/Use Tax Refunds	\$91,953,179	\$105,026,057	\$196,979,236
Income Tax Withholding	77,876,059	129,012,597	206,888,657
Real Property Tax	0	0	0
<b>Total Tax Credits Used</b>	<b>\$308,397,644</b>	<b>\$377,593,367 <sup>4</sup></b>	<b>\$685,991,011 <sup>4</sup></b>
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	\$-- <sup>5</sup>	\$-- <sup>5</sup>	\$22,742,600 <sup>5</sup>
Tax Credits Outstanding	\$-- <sup>5</sup>	\$-- <sup>5</sup>	\$674,254,822 <sup>4,5</sup>
Qualified Capital Investment	\$7,176,746,123 <sup>3</sup>	\$7,604,062,481	\$14,780,808,604 <sup>3</sup>
Direct Sales/Use Tax Refunds on Investment	\$124,226,180 <sup>6</sup>	\$247,615,595	\$371,841,774 <sup>6</sup>
Recapture Repaid	\$8,899,490	\$6,465,295	\$15,364,784
<b>Property Tax Benefits:</b>			
Personal Property Value Exempted	\$5,201,504,157	\$3,694,774,611	\$8,896,278,768
Value of Real Property Reimbursed	\$0	\$0	\$0
Increase in New Jobs at Qualifying Projects (FTE) <sup>7</sup>	10,878	14,661	25,539
Estimated Average Wage of New Jobs <sup>8</sup>	\$42,107	\$56,781	\$48,015

<sup>1</sup>The industry groups included in Manufacturing are:

**22, 23, 327** – Utilities, Construction, and Nonmetallic Mineral Product Manufacturing;

**311, 312** – Food and Beverage Manufacturing;

**314, 322, 323, 325, 326** – Textile Product Mills, Paper Manufacturing, Printing and Related Support Activities, Chemical Manufacturing, and Plastics and Rubber Products Manufacturing;

**321, 331, 332** – Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing; and

**333, 334, 335, 336, 337, 339** – Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture and Related Product; and Miscellaneous Product Manufacturing.

<sup>2</sup>The industry groups included in Non-Manufacturing are:

**42, 44-45** – Wholesale Trade, and Retail Trade;

**48,49** – Transportation and Warehousing Services;

**51** – Finance & Insurance Services;

**54, 56, 62, 81** – Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services.

<sup>3</sup>To maintain confidentiality, Investment Credits earned and Qualified Capital Investment in 2019 by Non-Durable Product Manufacturing are now reported and included in the total and other dependent figures.

<sup>4</sup>To maintain confidentiality, Individual Income Tax tax credits used in 2019 by Other Manufacturing are now reported and included in the total and other dependent figures.

<sup>5</sup>To maintain confidentiality, the Tax Credits Recaptured from Credit Balances, Tax Credits Expired, and Tax Credits Outstanding are reported in total, not by industry group.

<sup>6</sup>To maintain confidentiality, Direct Sales/Use Tax Refunds on Investment paid in 2020 to Other Manufacturing is not reported and not included in the total or other dependent figures.

<sup>7</sup>FTE = Full-time equivalent.

<sup>8</sup>The estimated average wage of new jobs is calculated by multiplying positive FTE growth by the average wage of each project to determine the estimated compensation. The sum of estimated compensation for all projects in the industry group is divided by the total positive FTE growth of the industry group.

## Benefits Approved, Manufacturing Industries, 2006 - 2020

Category	311, 312 - Food and Beverage Manufacturing	Non-Durable Product Manufacturing <sup>1</sup>	Machinery & Miscellaneous Manufacturing <sup>2</sup>	Other Manufacturing <sup>3</sup>	Manufacturing Total
Number of Qualifying Projects	27	23	39	26	115
<b>Tax Credits Earned:</b>					
Investment Credits	\$92,730,543	\$239,789,237 <sup>4</sup>	\$111,512,505	\$109,037,237	\$553,069,522 <sup>4</sup>
Compensation Credits	22,092,180	16,316,097	47,397,882	33,948,438	119,754,597
<b>Total Tax Credits Earned</b>	<b>\$114,822,723</b>	<b>\$256,105,334 <sup>4</sup></b>	<b>\$158,910,387</b>	<b>\$142,985,675</b>	<b>\$672,824,119 <sup>4</sup></b>
<b>Tax Credits Used:</b>					
Corporation Income Tax	\$13,276,352	\$30,035,082	\$62,873,251	\$10,755,305	\$116,939,990
Individual Income Tax	10,105,724	2,534,003	7,573,775	1,414,914 <sup>5</sup>	21,628,416 <sup>5</sup>
<b>Subtotal Income Tax</b>	<b>\$23,382,076</b>	<b>\$32,569,085</b>	<b>\$70,447,026</b>	<b>\$12,170,219 <sup>5</sup></b>	<b>\$138,568,406 <sup>5</sup></b>
Sales/Use Tax Refunds	\$13,317,178	\$57,788,518	\$12,014,074	\$8,833,410	\$91,953,179
Income Tax Withholding	14,807,921	13,078,331	33,662,941	16,326,866	77,876,059
Real Property Tax	0	0	0	0	0
<b>Total Tax Credits Used</b>	<b>\$51,507,175</b>	<b>\$103,435,934</b>	<b>\$116,124,042</b>	<b>\$37,330,495 <sup>5</sup></b>	<b>\$308,397,644 <sup>5</sup></b>
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>
Tax Credits Outstanding	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>	\$-- <sup>6</sup>
Qualified Capital Investment	\$1,077,984,723	\$2,563,865,630 <sup>4</sup>	\$1,226,070,442	\$2,308,825,328	\$7,176,746,123 <sup>4</sup>
Direct Sales/Use Tax Refunds on Investment	\$5,084,590	\$24,146,681 <sup>7</sup>	\$9,203,364	\$85,791,545	\$124,226,180 <sup>7</sup>
Recapture Repaid	\$-- <sup>8</sup>	\$-- <sup>8</sup>	\$-- <sup>8</sup>	\$-- <sup>8</sup>	\$8,899,490
<b>Property Tax Benefits:</b>					
Personal Property Value Exempted	\$510,468,646	\$4,398,040,776	\$5,196,011	\$287,798,724	\$5,201,504,157
Value of Real Property Reimbursed	\$0	\$0	\$0	\$0	\$0
Increase in New Jobs at Qualifying Projects (FTE) <sup>9</sup>	3,584	1,240	4,514	1,540	10,878
Estimated Average Wage of New Jobs <sup>10</sup>	\$35,647	\$43,810	\$42,532	\$54,521	\$42,107

<sup>1</sup>The full title of this industry group is **314, 322, 323, 325, 326** – Textile Product Mills, Paper Manufacturing, Printing and Related Support Activities, Chemical Manufacturing, and Plastics and Rubber Products Manufacturing.

<sup>2</sup>The full title of this industry group is **333, 334, 335, 336, 337, 339** – Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture and Related Product; and Miscellaneous Product Manufacturing.

<sup>3</sup>To maintain confidentiality, the following industry groups are combined in Other Manufacturing:

**22, 23, 327** – Utilities, Constructions, and Nonmetallic Mineral Product Manufacturing; and

**321, 331, 332** – Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing.

<sup>4</sup>To maintain confidentiality, Investment Credits earned and Qualified Capital Investment in 2019 by Non-Durable Product Manufacturing are now reported and included in the total and other dependent figures.

<sup>5</sup>To maintain confidentiality, Individual Income Tax tax credits used in 2019 by Other Manufacturing are now reported and included in the total and other dependent figures.

<sup>6</sup>To maintain confidentiality, the Tax Credits Recaptured from Credit Balances, Tax Credits Expired, and Tax Credits Outstanding are reported in total, not by industry group.

<sup>7</sup>To maintain confidentiality, Direct Sales/Use Tax Refunds on Investment paid in 2020 to Other Manufacturing is not reported and not included in the total or other dependent figures.

<sup>8</sup>To maintain confidentiality, Recapture Repaid is not reported by individual industry group.

<sup>9</sup>FTE = Full-time equivalent.

<sup>10</sup>The estimated average wage of new jobs is calculated by multiplying positive FTE growth by the average wage of each project to determine the estimated compensation. The sum of estimated compensation for all projects in the industry group is divided by the total positive FTE growth of the industry group.

## Benefits Approved, Non-Manufacturing Industries, 2006 - 2020

Category	52-Finance & Insurance Services	Professional & Miscellaneous Services <sup>1</sup>	Other Non-Manufacturing <sup>2</sup>	Non-Manufacturing Total
Number of Qualifying Projects	26	38	29	<b>93</b>
<b>Tax Credits Earned:</b>				
Investment Credits	\$153,420,313	\$24,817,568	\$337,743,710	\$515,981,591
Compensation Credits	<u>92,541,013</u>	<u>42,841,446</u>	<u>58,800,264</u>	<u>194,182,723</u>
<b>Total Tax Credits Earned</b>	<b>\$245,961,326</b>	<b>\$67,659,014</b>	<b>\$396,543,974</b>	<b>\$710,164,314</b>
<b>Tax Credits Used:</b>				
Corporation Income Tax	\$32,719,070	\$2,825,656	\$91,632,050	\$127,176,776
Individual Income Tax	<u>4,990,230</u>	<u>4,507,484</u>	<u>6,880,223</u>	<u>16,377,937</u>
<b>Subtotal Income Tax</b>	<b>\$37,709,300</b>	<b>\$7,333,140</b>	<b>\$98,512,273</b>	<b>\$143,554,713</b>
Sales/Use Tax Refunds	\$74,989,532	\$10,371,337	\$19,665,189	\$105,026,057
Income Tax Withholding	64,914,462	27,211,293	36,886,843	129,012,597
Real Property Tax	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Tax Credits Used</b>	<b>\$177,613,293</b>	<b>\$44,915,770</b>	<b>\$155,064,305</b>	<b>\$377,593,367</b>
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	\$-- <sup>3</sup>	\$-- <sup>3</sup>	\$-- <sup>3</sup>	\$-- <sup>3</sup>
Tax Credits Outstanding	\$-- <sup>3</sup>	\$-- <sup>3</sup>	\$-- <sup>3</sup>	\$-- <sup>3</sup>
Qualified Capital Investment	\$2,464,706,853	\$390,284,075	\$4,749,071,553	<b>\$7,604,062,481</b>
Direct Sales/Use Tax Refunds on Investment	\$128,698,348	\$13,076,066	\$105,841,180	<b>\$247,615,595</b>
Recapture Repaid	\$-- <sup>4</sup>	\$-- <sup>4</sup>	\$-- <sup>4</sup>	<b>\$6,465,295</b>
<b>Property Tax Benefits:</b>				
Personal Property Value Exempted	\$1,353,501,529	\$26,821,322	\$2,314,451,760	<b>\$3,694,774,611</b>
Value of Real Property Reimbursed	\$0	\$0	\$0	<b>\$0</b>
Increase in New Jobs at Qualifying Projects (FTE) <sup>5</sup>	6,882	3,457	4,322	<b>14,661</b>
Estimated Average Wage of New Jobs <sup>6</sup>	\$57,096	\$56,905	\$56,183	\$56,781

<sup>1</sup>The full title of this industry group is **54, 56, 62, 81** – Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services.

<sup>2</sup>To maintain confidentiality, the following industry groups are combined in Other Non-Manufacturing:

**42, 44-45** – Wholesale Trade, and Retail Trade;

**48, 49** – Transportation and Warehousing Services; and

**51** – Information Services.

<sup>3</sup>To maintain confidentiality, the Tax Credits Recaptured from Credit Balances, Tax Credits Expired, and Tax Credits Outstanding are reported in total, not by industry group.

<sup>4</sup>To maintain confidentiality, Recapture Repaid is not reported by individual industry group.

<sup>5</sup>FTE = Full-time equivalent.

<sup>6</sup>The estimated average wage of new jobs is calculated by multiplying positive FTE growth by the average wage of each project to determine the estimated compensation. The sum of estimated compensation for all projects in the industry group is divided by the total positive FTE growth of the industry group.

# Summary of Investment & Employment by Applicants with Active Signed Agreements, by Industry

Reporting Required by Neb. Rev. Stat. § 77-5731(3)(g) through (3)(i)

Each applicant with a signed agreement has agreed to report the project's total investment, employment, and estimated wages paid to new employees. This table includes the data reported for both: (1) projects that have completed a qualification audit that confirmed levels were attained; and (2) projects that have not completed a qualification audit, regardless of whether the project may have attained the minimum levels. **Until DOR has completed a qualification audit that confirms the required levels of investment and employment have been met, the project is not eligible for benefits, other than certain property tax exemptions, and it is not included in the Summary of Qualified Project Activity or Benefits Approved, by Industry tables.**

Some applicants with signed agreements did not submit a Nebraska Advantage Act Incentive Computation, Form 312N, in 2020. Most of these applicants have not completed a qualification audit and are not receiving any benefits. A qualified project will not receive additional benefits until it has submitted a Form 312N for all prior tax years. The year is considered to be in recapture and partial repayment of prior benefits is due if the proper filings are not provided to DOR.

Each project is categorized by the principal business activity based on the North American Industry Classification System (NAICS), grouped by industry, and the information is reported by industry group. In the following table, the industry groups are combined as footnoted to prevent disclosure of confidential information.

## Cumulative through 2020

Category	Number of Applicants Reporting <sup>1</sup>	Expansion of Capital Investment	Increase in New Jobs (FTE) <sup>2</sup>	Estimated Average Wage of New Jobs <sup>3</sup>
<b>MANUFACTURING</b>				
311, 312 – Food and Beverage Manufacturing	56	\$1,446,158,495	9,453	\$36,103
314, 322, 323, 325, 326 – Textile Product Mills, Paper Manufacturing, Printing and Related Support Activities, Chemical Manufacturing, and Plastics and Rubber Products Manufacturing	37	\$2,837,829,604	1,686	\$53,982
333, 334, 335, 336, 337, 339 – Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture and Related Product; and Miscellaneous Product Manufacturing	65	\$1,243,284,170	3,940	\$42,728
Other Manufacturing <sup>4</sup> : 22, 23, 327 – Utilities, Construction, and Nonmetallic Mineral Product Manufacturing; and 321, 331, 332 – Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing	49	\$3,311,346,062	2,016	\$56,757
<b>Total Manufacturing</b>	<b>207</b>	<b>\$8,838,618,331</b>	<b>17,095</b>	<b>\$41,829</b>
<b>NON-MANUFACTURING</b>				
52 – Finance & Insurance Services	56	\$2,572,082,719	6,798	\$60,065
54, 56, 62, 81 – Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services	83	\$712,654,176	5,505	\$59,299
Other Non-manufacturing <sup>4</sup> : 42, 44, 45 – Wholesale Trade; Retail Trade 48, 49 – Transportation and Warehousing Services; and 51 – Information Services	55	\$5,142,099,634	5,082	\$54,405
<b>Total Non-Manufacturing</b>	<b>194</b>	<b>\$8,426,836,529</b>	<b>17,385</b>	<b>\$58,168</b>
<b>TOTAL</b>	<b>401</b>	<b>\$17,265,454,860</b>	<b>34,480</b>	<b>\$50,067</b>

<sup>1</sup> Applicants who sign an agreement in the year of application do not have project activity to report until the following year. Even if all required Forms 312N are submitted, this total will not equal the number of active signed agreements.

<sup>2</sup> FTE = Full-time equivalent.

<sup>3</sup> The estimated average wage of new jobs is calculated by multiplying FTE growth by the most recently reported average wage of each project to determine the estimated compensation. The sum of estimated compensation for all projects in the industry group is divided by the total FTE growth of the industry group.

<sup>4</sup> To maintain confidentiality, the listed industry groups are reported combined.

## Executive Summary of Project-specific Tax Incentives Information

Reporting Required by Neb. Rev. Stat. § 77-5731(7)

The Executive Summary for the 2020 Nebraska Advantage Act Annual Report includes project-specific information for 78 projects.

The table below reports information on investment growth and new jobs on a cumulative basis for these 78 projects. This means that information is accumulated in the table from the beginning of the project through the end of 2020. These 78 projects have, over the past two years in 2019 and 2020 used tax credits or have had refunds approved in the amount of approximately \$91 million.

The details for each of these 78 projects are included in the next table that gives project-specific tax information.

Number of Projects	Growth		Average Compensation		Total Tax Credits Used and Refunds Approved
	Investment	New Jobs (FTE <sup>1</sup> )	Paid in Year of Application	Paid to New FTEs	(2019-2020)
78	\$3,882,134,286	10,041	\$34,595	\$45,490	\$92,708,875

<sup>1</sup>FTE = Full-Time Equivalent

# Nebraska Advantage Act

## Project-specific Tax Incentives Information

Reporting Required by Neb. Rev. Stat. § 77-5731(6)

In 2020, the report contains specific project information for 78 projects. Project-specific information is reported after a qualification audit and two years of activity have been completed. The specific information reported, in alternating years, is the name of the taxpayer, the project location, and the two-year aggregate of total credits used and refunds approved. The number reported includes direct sales and use tax refunds on qualified property and the total credits used. These credits include credits used to offset or refund a taxpayer's corporation income tax, a distribution of credits to the owners of an applicant that is a flow-through entity, a sales and use tax refund, income tax withholding offset or refund, or a real property tax reimbursement. The impact of the personal property tax exemption is not included in the report.

When credits are distributed to owners, they are reported in total when the distribution is made, even if the owners have not used all of the credits received. Recapture payments are not subtracted from the total.

Completed projects, which did not receive benefits in the reporting period and have used or expired all carryover credits, are not included in the report.

### Tax Credits Used and Refunds Approved

Project Name	Tax Credits Used and Refunds Approved	Locations
3M Company and Subsidiaries	\$1,429,383	Valley
AGCO Corporation	\$299,125	Omaha
American National Corporation	\$949,738	Bellevue, Elk Creek, Elkhorn, Fairbury, Falls City, Gretna, Humboldt, La Vista, Lincoln, Nebraska City, Omaha, Papillion, Plattsmouth, Ralston, and Tecumseh
American Title Holding Company	\$129,204	Omaha
ASP MSG Acquisition Co., Inc.	\$125,281	Norfolk
Assurity Life Insurance Company	\$2,497,370	Lincoln
C.J. Foods, Inc.	\$603,055	Pawnee City
CAMACO, LLC	\$591,242	Columbus
Cargill, Inc. & Subsidiaries	\$7,934,679	Blair
Celerion Acquisition Corp.	\$2,762,266	Lincoln and Omaha
Champion Home Builders, Inc.	\$124,378	York
Christensen Lumber, Inc.	\$333,188	Elkhorn, Fremont, Gretna, Lincoln, and Omaha
CHS, Inc.	\$103,973	South Sioux City
CLAAS of Omaha, Inc. & Affiliated Entities	\$597,413	Omaha
CNH Industrial America, LLC	\$1,904,903	Grand Island
D3 Technology, Inc.	\$1,139,935	Omaha
Diversified Foods & Seasonings, Inc.	\$87,750	Nebraska City
Douglas Holdings, LLC	\$99,848	Columbus and Plainview
E Energy Adams, LLC	\$2,568,815	Adams
Elliott Equipment Company	\$570,408	Omaha
Empirical Foods, Inc.	\$1,425,229	South Sioux City
Evonik Corporation	\$48,813	Blair
FAST Global Solutions, Inc.	\$151,166	Auburn and Falls City
Garner Industries	\$353,758	Lincoln
Gordmans, Inc.	\$1,269,479	Bellevue and Omaha
Great Dane Limited Partnership	\$393,338	Wayne
Greater Omaha Packing Co., Inc.	\$1,100,000	Omaha
Greater Omaha Packing Co., Inc.	\$1,010,871	Omaha
GWD, Ltd.	\$57,962	South Sioux City
Hexagon Lincoln, Inc.	\$1,195,755	Lincoln
Klute, Inc.	\$264,525	York
Lincoln Industries, Inc.	\$799,916	Lincoln
Lozier Corporation	\$0	Omaha
Markel Aspen, Inc.	\$0	Omaha
Mi Mama's Tortillas, LLC	\$159,999	Omaha

Project Name	Tax Credits Used and Refunds Approved	Locations
Midlands Packaging Corporation	\$105,658	Lincoln
Molex LLC	\$1,163,184	Lincoln
National Research Corporation	\$1,162,533	Lincoln and Papillion
NatureWorks, LLC	\$44,888	Blair, La Vista, and Omaha
Neapco Components, LLC	\$118,573	Beatrice
NEBCO, Inc. & Subsidiaries	\$749,374	Ashland, Auburn, Aurora, Central City, Falls City, Fremont, Geneva, Grand Island, Hebron, Kearney, Lincoln, Nebraska City, Omaha, Silver Creek, Springfield, St. Paul, Strang, Stromsburg, Syracuse, Tecumseh, Waco, and York
Nelnet, Inc. & Subsidiaries	\$3,256,346	Bellevue and Lincoln
Nelnet, Inc. & Subsidiaries	\$2,197,759	Omaha
Neogen Corporation	\$865,668	Lincoln
Nestle Purina PetCare Company	\$2,843,400	Crete
Noah's Ark Processors, LLC	\$2,021,609	Hastings
Nova-Tech, Inc.	\$108,795	Grand Island
Novartis Pharmaceuticals Corp. & Affiliates	\$221,667	Lincoln
Novozymes Blair, Inc.	\$1,368,830	Blair
Omaha Financial Holdings, Inc.	\$247,046	Blair, La Vista, Lincoln, and Omaha
Oxbow Enterprises, Inc.	\$1,137,170	Ashland, Murdock, Omaha, Papillion, Syracuse, and West Point
Pacific Life Insurance Company	\$4,910,362	Omaha
Pen-Link, Ltd.	\$125,660	Ashland and Lincoln
Pioneer Hi-Bred International, Inc.	\$2,917,865	Doniphan, Grand Island, Hastings, Seward, Stromsburg, and York
Prairie Breeze Wind Energy II LLC	\$5,060,556	Albion and Elgin
Prairie Breeze Wind Energy III LLC	\$2,492,500	Elgin
Prairie Breeze Wind Energy LLC	\$90,744	Elgin, Meadow Grove, and Petersburg
Reinke Management Company & Subsidiaries	\$398,774	Deshler
Royal Engineered Composites, Inc.	\$283,150	Minden
SalonCentric, Inc.	\$0	La Vista
Senior Market Sales, Inc.	\$97,902	Omaha
Signature Performance, Inc.	\$208,569	Omaha
Smithfield Farmland Corp.	\$774,415	Crete
Speedway Motors, Inc.	\$1,718,179	Lincoln
Steele Flats Wind Project, LLC	\$0	Diller and Odell
Streck, Inc.	\$1,905,552	La Vista
Structural Component Systems, Inc.	\$1,709,426	Fremont, Lincoln, and Omaha
Sympateco, Inc.	\$299,818	Omaha
Tenneco, Inc.	\$1,323,285	Seward
The James Skinner Co.	\$465,092	Omaha
The Lincoln National Life Insurance Company	\$61,179	Omaha
TMCO, Inc.	\$268,414	Lincoln
Tyson Fresh Meats, Inc.	\$2,880,080	Lexington
Tyson Processing Services, Inc.	\$683,984	Omaha
Universal GP Holdings, L.P.	\$134,953	Lincoln
Werner Enterprises, Inc.	\$3,456,302	Omaha
Williams Form Engineering Corp.	\$61,628	Wayne
Yahoo! Inc.	\$9,685,220	La Vista and Omaha
<b>Total Tax Credits Used and Refunds Approved</b>	<b>\$92,708,875</b>	



# Nebraska Advantage Act Projected Revenue Gains and (Losses) for Tax Years 2021-2030

## Reporting Required by Neb. Rev. Stat. § 77-5731(3)(k) and (4)

For the Nebraska Advantage Act (Act), the Nebraska Department of Revenue (DOR), Research Section, reports on the projected future amounts of:

- Direct refunds of sales and use tax (refunds);
- Investment tax credits earned;
- Compensation credits earned;
- Tax credits used for individual income tax;
- Tax credits used for corporation income tax;
- Tax credits used for sales and use tax;
- Tax credits used for income tax withholding;
- Tax credits recaptured and tax credits that will expire.

The report also estimates the potential revenue gains (losses) under the Act as well as associated investment and economic job growth.

Section I outlines the process of estimating the parameters for tax credits and refunds, which are the building blocks for projecting future tax expenditures. Section I also briefly describes the estimation process for tax credits earned and the usage of the tax credits.

Section II discusses the model used by DOR to estimate the fiscal and employment impacts of the Act, and these estimates are presented in the table below.

## I. Estimation of parameters for the projection of tax credits and refunds.

The Department utilizes historical data of tax incentive programs to produce the projection of tax credits and refunds. DOR utilizes historical data from the Act to analyze the patterns of how companies earned and used tax credits over the years. The Department also has comprehensive data from the Employment and Investment Growth Act (LB 775), which was utilized in determining the projections. Consequently, DOR estimates the annual amount of earned and used tax credits using historical data from the Act, coupled with historical data from LB 775.

To project the total amount of earned tax credits, and direct sales and use tax refunds, DOR utilizes historical patterns of tax credits earned by the Act's participating companies. The historic data of both programs show the erratic nature of credit earned from year to year but illustrates a stable trend in the long run. After projecting the total amount of earned tax credits, DOR allocates the projected total tax credits earned into

investment tax credits and compensation credits based on the analysis of historical data from the Act.

U.S. economic activities declined in early 2020 due to the response to the COVID-19 pandemic. This response led to rapid demand changes, as businesses switched to remote work or canceled operations, and consumers canceled, restricted, or redirected their spending. The supply chains also impacted the world due to strict measures to fight the spread of COVID-19. Initially, it was expected that there would be a reduction in capital investment in Nebraska as a result of the COVID-19 pandemic.

However, the 2020 record showed no decline in investment activities registered by incentive programs. Qualified capital investment in 2020 is \$2.8 billion and associated earned credits is 243 million, which are a record high since Nebraska has enacted incentive programs. Two reasons could explain it. First, an investment decision mainly depends on a long-run perspective rather than an event or news like the COVID-19 pandemic. Second, since Nebraska did not see significant restrictions or closures due to the COVID-19 pandemic, the Nebraska economy should compare more favorably to other states. Therefore, DOR projects that the future impact of the COVID-19 pandemic on investment is minimal.

Examining the allocation of tax credits used between income tax liabilities, income tax withholding, and sales and use tax liabilities, DOR analyzed the patterns of how companies spent their credits. Using the analyzed data, DOR projects the amounts of tax credits allocated among corporation income tax liability, individual income tax liability, and sales and use tax liability over the next ten years.

DOR, however, does not have enough historical information from the Act to produce reliable parameters to estimate the amount of recaptured and expired tax credits. Consequently, DOR utilized information from LB 775. However, unlike LB 775, the Act limits the maximum life of the program, effectively reducing the carryover period. As a result the Act will have an increase over LB 775 in percent of expired credits.

Also, based on projected amount of earned and used tax credits, the table presents tax credits balance and cumulative tax credit balance. DOR also forecasted the amount of investment based on the estimated earned tax credits.

## II. Projecting revenue gains (losses) and associated economic job growth.

Tax incentive programs in Nebraska are designed to attract business investments—both domestically and abroad—with the goal of creating jobs and generating economic growth in Nebraska. Tax incentive programs impact Nebraska’s tax revenue in two ways. First, tax revenue is positively affected when businesses hire new employees and increase levels of investment, which enhance economic growth. Second, tax revenue is negatively affected when Nebraska directly foregoes part of the tax revenue from the businesses that are in the tax incentive programs. Thus, the overall fiscal impact of tax incentive programs can be positive or negative.

A computable general equilibrium (CGE) model uses actual economic data to estimate how the Nebraska economy might react to changes in policy, technology, or other external factors. Using a CGE model, the fiscal impact of the program is estimated over the next ten years. These estimates are based on the projected value of the amount of

total credits earned and total credits used, along with refunds for the Act. The projected values for credits earned and credits used are listed in the table below.

To analyze the fiscal impact of tax incentive programs, the dynamic Tax Revenue Analysis in Nebraska<sup>1</sup> (TRAIN) model—a custom-built Nebraska CGE model—is used. The TRAIN model mathematically expresses the Nebraska economy with over 1,300 equations and a Social Accounting Matrix (SAM) database. It has 28 industrial sectors, two factor sectors, an investment sector, nine household sectors, 33 government sectors, and a rest-of-the-world sector. The TRAIN model distinguishes between state government sectors to capture the sensitivity of state revenue and expenditure flows. It also calculates most tax impacts within the model, making additional outside calculations unnecessary. This reduces the number of restrictions on the model and allows the DOR economists to deliver more informative results.

The primary assumption when constructing a CGE model is that the economy is in equilibrium at the beginning of the period, and the model is constructed so that its equilibrium replicates observed data in the base year. The data for TRAIN comes from the latest SAM values and parameters.

After setting up an initial economic condition, the new investment induced by tax credits stimulates economic activity, and then the economy reaches to the new high level. During internal processing, the model generates hundreds of multipliers, which determine the level of economic activity such as economic growth, additional tax revenue and new employment. It also accounts for dynamic impacts generated over years. Note that unlike a partial equilibrium model, the TRAIN model does not depend on a few exogenous multipliers to determine economic activities; rather, the multipliers are determined within the model.

The table below shows the estimated revenue gains generated by new investment and employment over ten years. Since TRAIN simulated dynamic scoring of investment, the revenue gains presented reflect an accumulating impact of the Act. The table also shows the net revenue gain (loss) and the cumulative revenue gain (loss) over ten years.

The table provides two estimates of employment due to the Act. The first, labeled “Estimated New Jobs for Qualifying Tax Credits,” is a yearly estimate of the number of full-time equivalent employees (FTE). This number can be thought of as an accounting number. It is the number of jobs that businesses use to justify the hiring of employees to qualify for the tax credits in the Act. It is important to note that some of these new jobs would be created regardless of the Act's tax credits due to growth in the company. Thus, the exact number of jobs that would be created without the existence of the Act is unknown.

The second estimate, labeled “Estimated Net Economic Job Increase (Decrease),” is estimated by TRAIN, and is an estimate of the dynamic scoring of new jobs created as the result of the Act's program investment. The estimate of net economic jobs includes both direct and indirect employment in Nebraska. That is, it includes the jobs created as a direct result of the Act as well as the new jobs indirectly created throughout the Nebraska economy to support the new investment and direct employment due to the Act.

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<sup>1</sup>A more detailed description of the TRAIN model is available [here](#).

## Fiscal Analysis of the Nebraska Advantage Act

Summary	2020 <sup>1</sup>	2021	2022	2023	2024	2025
Revenue Generated by Increase in Economic Activities Due to the Act	---	\$114,314,825	\$97,893,573	\$78,219,344	\$61,871,122	\$47,325,445
Tax Credits Used:						
Individual Income Tax	\$3,781,807	\$25,236,396	\$24,994,909	\$13,457,583	\$7,871,593	\$10,855,088
Corporation Income Tax	<u>35,135,227</u>	<u>147,788,305</u>	<u>146,374,119</u>	<u>78,809,722</u>	<u>46,097,288</u>	<u>63,569,103</u>
<b>Subtotal Income Tax</b>	<b>\$38,917,034</b>	<b>\$173,024,701</b>	<b>\$171,369,028</b>	<b>\$92,267,304</b>	<b>\$53,968,882</b>	<b>\$74,424,191</b>
Sales and Use Tax	30,976,106	91,648,498	90,771,514	48,872,559	28,586,479	39,421,338
Income Tax Withholding	<u>20,422,530</u>	<u>16,578,565</u>	<u>15,088,153</u>	<u>11,764,036</u>	<u>9,347,347</u>	<u>7,647,505</u>
<b>Total Tax Credit Used</b>	<b>\$90,315,670</b>	<b>\$281,251,763</b>	<b>\$277,228,696</b>	<b>\$152,903,899</b>	<b>\$91,902,707</b>	<b>\$121,493,034</b>
Direct Sales and Use Tax Refunds	\$53,688,434	\$75,529,837	\$61,492,286	\$45,260,886	\$33,260,195	\$24,299,136
Revenue Gain (Loss)	---	(\$242,466,775)	(\$240,827,408)	(\$119,945,441)	(\$63,291,780)	(\$98,466,726)
Cumulative Revenue Gain (Loss)	---	(\$753,346,229)	(\$994,173,637)	(\$1,114,119,078)	(\$1,177,410,857)	(\$1,275,877,583)
Tax Credits Earned:						
Investment Credits	\$243,032,166	\$164,792,459	\$150,880,725	\$103,119,884	\$72,573,841	\$46,288,094
Compensation Credits	<u>46,804,988</u>	<u>56,033,932</u>	<u>51,303,563</u>	<u>35,063,574</u>	<u>24,677,086</u>	<u>15,739,215</u>
<b>Total Tax Credit Earned</b>	<b>\$289,837,154</b>	<b>\$220,826,390</b>	<b>\$202,184,287</b>	<b>\$138,183,459</b>	<b>\$97,250,927</b>	<b>\$62,027,308</b>
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	11,640,038	46,684,495	52,099,509	50,829,394	52,407,373	51,673,796
Tax Credit Balance	<u>187,881,446</u>	<u>(107,109,868)</u>	<u>(127,143,917)</u>	<u>(65,549,834)</u>	<u>(47,059,153)</u>	<u>(111,139,522)</u>
<b>Cumulative Tax Credit Balance</b>	<b>\$674,254,822</b>	<b>\$567,144,953</b>	<b>\$440,001,037</b>	<b>\$374,451,202</b>	<b>\$327,392,049</b>	<b>\$216,252,527</b>
Estimated Employment						
Estimated New Jobs for Qualifying Tax Credits	3,294	4,549	4,165	2,847	2,003	1,278
Estimated Net Job Increase (Decrease)	---	1,961	2,012	1,700	1,248	810
Estimated Qualifying Investment	\$2,846,031,079	\$2,278,437,166	\$2,086,092,128	\$1,425,745,932	\$1,003,413,255	\$639,983,856
Summary	2026	2027	2028	2029	2030	
Revenue Generated by Increase in Economic Activities Due to the Act	\$39,306,620	\$35,265,228	\$33,280,737	\$32,132,627	\$31,526,855	
Tax Credits Used:						
Individual Income Tax	\$5,362,473	\$4,674,726	\$4,003,692	\$4,003,472	\$4,230,778	
Corporation Income Tax	<u>31,403,483</u>	<u>27,375,932</u>	<u>23,446,250</u>	<u>23,444,961</u>	<u>24,776,104</u>	
<b>Subtotal Income Tax</b>	<b>\$36,765,955</b>	<b>\$32,050,659</b>	<b>\$27,449,942</b>	<b>\$27,448,433</b>	<b>\$29,006,883</b>	
Sales and Use Tax	19,474,356	16,976,736	14,539,808	14,539,009	15,364,495	
Income Tax Withholding	<u>6,400,728</u>	<u>4,156,438</u>	<u>2,335,661</u>	<u>1,465,019</u>	<u>1,231,378</u>	
<b>Total Tax Credit Used</b>	<b>\$62,641,039</b>	<b>\$53,183,833</b>	<b>\$44,325,410</b>	<b>\$43,452,461</b>	<b>\$45,602,756</b>	
Direct Sales and Use Tax Refunds	\$19,329,179	\$17,773,035	\$17,285,791	\$17,133,230	\$17,085,462	
Revenue Gain (Loss)	(\$42,663,598)	(\$35,691,640)	(\$28,330,465)	(\$28,453,065)	(\$31,161,362)	
Cumulative Revenue Gain (Loss)	(\$1,318,541,181)	(\$1,354,232,822)	(\$1,382,563,286)	(\$1,411,016,351)	(\$1,442,177,713)	
Tax Credits Earned:						
Investment Credits	\$38,057,763	\$35,480,764	\$34,673,880	\$34,421,237	\$34,342,132	
Compensation Credits	<u>12,940,678</u>	<u>12,064,428</u>	<u>11,790,065</u>	<u>11,704,160</u>	<u>11,677,262</u>	
<b>Total Tax Credit Earned</b>	<b>\$50,998,441</b>	<b>\$47,545,192</b>	<b>\$46,463,946</b>	<b>\$46,125,397</b>	<b>\$46,019,393</b>	
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	48,961,719	37,783,973	29,740,045	22,540,521	18,288,682	
Tax Credit Balance	<u>(60,604,317)</u>	<u>(43,422,613)</u>	<u>(27,601,509)</u>	<u>(19,867,586)</u>	<u>(17,872,044)</u>	
<b>Cumulative Tax Credit Balance</b>	<b>\$155,648,210</b>	<b>\$112,225,597</b>	<b>\$84,624,088</b>	<b>\$64,756,502</b>	<b>\$46,884,458</b>	
Estimated Employment						
Estimated New Jobs for Qualifying Tax Credits		1,051	979	957	950	948
Estimated Net Job Increase (Decrease)		512	326	241	214	213
Estimated Qualifying Investment	\$526,190,476	\$490,560,631	\$479,404,570	\$475,911,496	\$474,817,780	

<sup>1</sup>Figures for 2020 are actual amounts.

# Nebraska Advantage Act Summary of Tax Incentive Programs in Other States

## Reporting Required by Neb. Rev. Stat. § 77-5731(7)

States offer many types of tax incentives for businesses. This report summarizes other states' tax incentives that are similar to the Nebraska model of granting tax incentives. For example, qualifying for tax incentives under the Nebraska Advantage Act is not dependent upon the location of a project in an enterprise zone or other limited geographic area. Thus, tax incentives that provide jobs or investment credits to businesses, but only to those who locate in a limited area, are not listed. States that offer tax incentives, but have different qualification levels depending upon geography, are listed provided that a project could qualify, at some level, in every part of the state.

States may also limit qualification for incentives to targeted industries. Nebraska does this, and the report lists those states where incentives are limited to targeted activities. Finally, Nebraska refunds the sales and use tax on qualified investments, but some states refund only a portion of the tax. These states are listed as having a refund. Some states have broader sales and use tax exemptions than Nebraska, but do not provide a refund of any taxes paid. Tax exemptions are outside the scope of this comparison, and tax incentives are not listed if they do not provide at least a partial refund of sales and use taxes paid on qualified investment or they have a threshold for the number of jobs created or the amount of investment amount to get the exemption.

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The review of the tax incentive programs in other states is as of May, 2021. DOR makes every effort to review the current incentive information from other states; however, DOR is not liable for any of the information in this section used for private or public purposes.

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## Number of states which grant tax credits and exemptions

- **Job credit:** 41 states
  - **Investment credit:** 36 states
  - **Sales/use tax refund on qualified investment:** 20 states
  - **Personal property tax abatement:** 15 states
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## Alabama

**Job credit:** The existing [Alabama Jobs Act](#) allows a 3% refund or credit of prior year wages paid to eligible employees with an additional 0.5% percent credit if 12% or more of the project workforce are veterans. A project must create at least 50 new jobs in a non-targeted county; or 10 new jobs in targeted county, technology company or underrepresented company; or create new jobs but are not subject to the minimum job creation requirements in some industries.

**Investment credit:** The same number of the jobs are required as the Job credit. The investment incentive is a credit up to 1.5% of the qualified capital investment expenses.

### **Sales/use tax refund on qualified investment:**

- There is no threshold or limiting investment for a new sales tax abatement project.

- The additional capital investment by an industry that is expanding their current facilities in Alabama must be equal to the lesser of –
  - 30% of the original cost of the currently existing industrial property or
  - \$2 million
- Data processing centers are eligible to receive abatements as follows:
  - Sales tax abatement for 10 years for projects that invest up to \$200 million.
  - Sales and use tax abatement for 20 years for projects that invest more than \$200 million but less than \$400 million within 10 years.

**Personal property tax abatement:** Qualifying industries can receive an abatement on the state and local non-educational portion of the property tax on the real and personal property for up to a 20 years, data centers can be abated up to 30 years

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## Alaska

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## Arizona

**Job and investment credit:**

### Quality Jobs

- In metro areas, at least 25 jobs must be created with a minimum capital investment of \$500,000.
- In rural areas, at least 5 jobs must be created with a minimum capital investment of \$100,000.
- Both programs require the jobs to pay 100% of the median county wage.

### Qualified Facility

- Firms must:
  - Make capital investment of at least \$250,000 to establish or expand a facility that devotes at least 80% of its space and payroll to manufacturing, R&D, or headquarters functions;
  - Create net new jobs of which at least 51% are paid 125% of the state's median wage if located in an urban area or 100% of the state's annual median wage if located in a rural area; and
  - Offer to pay at least 65% of health insurance premiums for all new net full-time employment.

**Sales/use tax refund on qualified investment:** Firms investing in data centers may be eligible for this. They can get an exemption from the Transaction Business Privilege Tax and Use Tax when investing between at least \$25 million or \$50 million or \$250 million in a data center, depending on location.

**Personal property tax abatement:** None

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## Arkansas

**Job credit:** Advantage Arkansas Income Tax Credit offers credits for job creation based on payroll of new, full-time, permanent employees.

The credit against state income tax depends on region of state and payroll thresholds:

- Payroll threshold of \$125,000 in Tier 1
- Payroll threshold of \$100,000 in Tier 2
- Payroll threshold of \$75,000 in Tier 3
- Payroll threshold of \$50,000 in Tier 4
- Jobs must pay a wage equal or greater than the lowest county average wage
- Must be engaged in a specific industry as listed

**Investment credit:** ArkPlus is available in “highly competitive situations” that credits 10% of total investment to state income tax liability by regional tier and level of payroll.

- Tier 1: Minimum investment of \$5 million and minimum payroll of \$2 million
- Tier 2: Minimum investment of \$3.75 million and minimum payroll of \$1.5 million
- Tier 3: Minimum investment of \$3 million and minimum payroll of \$1.2 million
- Tier 4: Minimum investment of \$2 million and minimum payroll of \$0.8 million

**Sales/use tax refund on qualified investment:**

Tax Back Sales and Use Tax Refund

- The Tax Back program provides sales and use tax refunds for building materials and taxable machinery and equipment associated with approved project.

**Personal property tax abatement:** None

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## California

**Job credit:**

- The [California Competes Tax Credit](#) is based on the number of jobs created, opportunity for future growth, compensation paid to employees, and a number of other factors.
- [New Employment Credit](#) requires the employer to hire a qualified employee and pay qualified wages.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## Colorado

**Job credit:**

- [Job Growth Incentive Tax Credit](#) is available for businesses creating at least 20 new jobs with wages 100% of county average.
- [Job Growth Incentive Tax Credit-Higher Education Partnership](#) is available for businesses partnering with State Higher Education Institutions and creating at least 5 new jobs with wages 100% of state average.

**Investment credit:** [Advanced Industries Investment Credit](#) encourages investments in Colorado advanced industries businesses by providing tax credits to investors. The investor need to invest at least \$10,000 to be qualified this tax credit.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** At the discretion of the city or county government.

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## Connecticut

**Job credit:** None

**Investment credit:**

- [Machinery and Equipment Expenditure Tax Credit](#) allows for 10% credit for increased investment in machinery and equipment for companies with 250 or fewer employees, 5% credit for companies with 251 to 800 employees in Connecticut.
- 5% credit for [fixed capital investment](#) in tangible personal property.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** [Electronic Data Processing Equipment Property Tax Credit](#) is available for 100% of the personal property tax owed and paid on electronic data processing equipment.

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## Delaware

**Job and investment credit:**

- The [Blue Collar Job Act](#) – Eligible businesses that (1) are engaged in a qualified activity; (2) hire five or more qualified employees; and (3) make an investment of at least \$200,000 (\$40,000 per qualified employee) in a qualified facility. For qualified investments of at least \$1 million in manufacturing, wholesaling, or aviation service, an alternative investment tax credit is available. For telecommunications services and banking, they are required to hire 50 employees and make an investment of \$15,000.

**Sales/use tax refund on qualified investment:** No sales tax

**Personal property tax abatement:** None.

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## Florida

**Job and investment credit:**

- [The Qualified Target Industry Tax Refund](#) allows for tax refunds from \$3,000 to \$6,000 per job created depending on the industry, location, and salary provided for each job created.
- [The Capital Investment Tax Credit](#) is available for specific industries that create at least 100 jobs and invest at least \$25 million in capital costs.
- [Rural Job Tax Credit Program](#) and [Urban Job Tax Credit Program](#) are also available for eligible businesses located within designated qualified areas to create new jobs.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None



# Georgia

## Job credit:

- Firms creating jobs in specific industries can earn the Job Tax Credit based on the following criteria –
  - In tier 1, 2 jobs must be created, which can offset 100% of income tax liability
  - In tier 2, 10 jobs must be created, which can offset 100% of income tax liability
  - In tier 3, 15 jobs must be created, which can offset 50% of income tax liability
  - In tier 4, 25 jobs must be created, which can offset 50% of income tax liability
  - Each credit can be carried forward ten years
- A firm creating jobs that pay higher-than-average wages may qualify for a [Quality Jobs Tax Credit](#). The credit varies by the wage paid. Firms must create at least 10 or 25 or 50 jobs to qualify depending on the Tier status and location.

## Investment credit:

- Manufacturers and telecommunication companies that have been in the state for at least three years and making qualified capital investments of at least \$100,000 may qualify for an Investment Tax Credit.
- The size of credit depends on Tier status.
- A [Mega Project Tax Credit](#) is available to firms with a minimum payroll of \$150 million or that make a minimum investment of \$450 million, and hire at least 1,800 net new employees.

Companies meeting both requirements may claim a tax credit of \$5,250 per job per year for the first five years of each net new position.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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# Hawaii

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Personal property is not taxed

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# Idaho

## Job credit:

- The [Idaho Tax Reimbursement Incentive](#) is available for a broad range of industries, to be qualified, 20 jobs must be created for rural areas and 50 jobs for urban centers.

## Investment credit:

- [Idaho Business Advantage](#) – a \$500,000 investment in new facilities and creation of at least 10 new jobs paying an average of \$40,000 annually.
- [3% Investment Tax Credit](#) – Firms that make qualifying new investments may earn an income tax credit offsetting up to 50% of their income tax liability.

**Sales/use tax refund on qualified investment:** Idaho Business Advantage provides up to a 25% rebate on sales taxes paid for qualifying firms. New [data centers](#) will be eligible for sales tax exemption on qualified equipment and construction materials if create 30 new jobs and invest \$250 million within 5 years.

**Personal property tax abatement:**

- County commissioners may authorize a full or partial property tax exemption when qualifying firms invest at least \$3 million in new [manufacturing](#) facilities.
  - Business investing at least \$500,000 in new or existing non-retail, commercial or industrial facilities may qualify for property tax exemption.
- 

## Illinois

**Job credit:**

- The [EDGE Agreements](#) and [High-Impact Business Tax Credit](#) allow job creation credits.

**Investment credit:**

- The [EDGE Agreements](#) allow tax credits to firms with more than 100 employees that invest at least \$2.5 million in capital improvements, and create the lesser of 10% of world-wide employment or at least 50 jobs.
- For a company with 100 or fewer employees, the company must agree to create the lesser of at least 50 full-time jobs or 5% of the employment in Illinois.
- Qualification for a [High Impact Business Tax Credit](#) requires that a business invest a minimum of \$12 million in capital investment causing the creation of 500 full-time jobs, or an investment of \$30 million causing the retention of 1,500 full-time jobs, a qualified new electric generating facility, production operations at a new coal mine, a new or upgraded transmission facility that supports the creation of 150 Illinois coal-mining jobs, a newly constructed gasification facility, or certain wind energy facilities.

**Sales/use tax refund on qualified investment:** none

**Personal property tax abatement:** None

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## Indiana

**Job credit:**

- The [Economic Development for a Growing Economy \(EDGE\)](#) provides corporate income tax credit to businesses to support jobs creation, and capital investment.
- The [Headquarters Relocation Tax Credit](#) allows a credit against the corporation's state tax liability for costs incurred in relocating the headquarters. Annual worldwide revenue must be at least \$50 million, and the corporation must employ at least 75 employees in Indiana.

**Investment credit:**

- The [Hoosier Business Investment Tax Credit](#) provides a credit against corporate income tax based on an analysis of the economic benefits of the proposed investment and the applicant must demonstrate net new jobs added.
- The [Economic Development for a Growing Economy Tax Credit](#) provides tax credits for creating net new jobs performing tasks not previously performed by the applicant in Indiana using similar criteria to judge eligibility.

**Sales/use tax refund on qualified investment:** Refund of sales and use tax paid on [R&D equipment](#) only.

**Personal property tax abatement:** None

# Iowa

## Job credit:

- The [High Quality Jobs Program](#) requires businesses to meet wage threshold requirements.
- The size of the credit depends on the quality of the job, generosity of health insurance benefits, etc.
- The [New Jobs Tax Credit](#) is a credit available to companies that expand their Iowa employment base by 10% or more and participate in the New Jobs Training Program.
- This one-time tax credit is dependent on the wages a company pays and the year the credit is first claimed. The maximum credit will be \$1,896 per new employee in 2020 and \$1,944 per new employee in 2021.

## Investment credit:

- The [High Quality Jobs Program](#) requires businesses to meet investment threshold requirements.
- Thresholds are bracketed by investments less than \$100,000; \$100,000 to \$499,999; and \$500,000 and over.
- There is an additional threshold of \$10 million or more.

**Sales/use tax refund on qualified investment:** Sales tax refunds are associated with the [High Quality Jobs Program](#) for companies with at least \$100,000 level of investment.

**Personal property tax abatement:** At the discretion of the city or county government.

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# Kansas

## Job credit:

- Firms can retain income tax withholding by creating at least ten jobs within two years in urban areas or five new jobs elsewhere in the [Promoting Employment Across Kansas program](#).
- [High impact projects](#) that create at least 100 new jobs can retain a higher share of income tax withholding.

## Investment credit:

- The [High Performance Incentive Program](#) allows for a 10% corporate income tax credit.
- Firms must invest at least \$1 million in five metro counties or \$50,000 elsewhere.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** At the discretion of the city or county government.

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# Kentucky

## Job and investment credit:

- The [Kentucky Business Investment](#) program requires participants to create a minimum of 10 new jobs subject to wage and benefit requirements and invest a minimum of \$100,000.
- The [Kentucky Small Business Tax Credit Program](#) provides for a tax credit to small businesses that hire at least one person and invest at least \$5,000 in qualifying equipment /technology.
- The [Kentucky Reinvestment Act](#) provides tax credits to firms that are engaged in manufacturing and related functions investing at least \$2.5 million and maintaining 85% of the full-time employment level at the facility.

**Sales/use tax refund on qualified investment:**

- Available to participants of the [Kentucky Enterprise Initiative Act](#) who invest at least \$500,000.

**Personal property tax abatement:** None

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## Louisiana

**Job credit:** The [Quality Jobs Program](#)

- Must meet a minimum annual payroll threshold for new direct jobs of \$225,000 for firms with 50 or less employees or \$675,000 for firms with more than 50 employees.
- The employer must create a minimum of 5 net new jobs for forms with 50 or less employees or 15 new jobs for firms with more than 50 employees.
- Reward is a cash rebate up to a 6% of annual gross payroll for up to 10 years.
- Must be in favored industry, or distressed region, or have 50% of sales out-of-state.

**Investment credit:** None

**Sales/use tax refund on qualified investment:**

- Sales and use tax rebate is associated with the [Quality Jobs Program](#) on capital expenses or a 1.5% investment tax credit for qualifying expenses.

**Personal property tax abatement:**

- The [Industrial Tax Exemption](#) allows a property tax abatement for industries in certain NAICS codes who engage in new capital investments in the state.
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## Maine

**Job and investment Tax credit:**

- [Pine Tree Development Zone Tax Credit](#) is available for certain business that hire at least one employee.
- [Employment Tax Increment financing program](#) allows businesses that hire 5 or more new employees by refunding from 30-80% of the withholding taxes.
- [Major Business Headquarters Expansion Program \(MBHQ\)](#) allows a 2% of the qualified investment for a period up to 20 years if business headquarters are or will be located in Maine make a qualified investment \$35 million and employs at least 5,000 full-time employees worldwide, of which at least 25% are or will be based in Maine.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## Maryland

**Job credit:**

- The [Job Creation Tax Credit](#) provides a per-job tax credit of up to \$3,000 to businesses that create new jobs, and up to \$5,000 to businesses creating jobs in revitalization areas.

- They must create at least 60 full-time jobs within 24 months, or 10 new jobs in some counties, or 25 jobs in Priority Funding Areas.
- Qualified positions are full-time and pay at least 120% of state minimum wage.
- The business must be engaged in an eligible activity.

**Investment credit:**

- The [Biotechnology Investment Incentive Tax Credit](#) is allowed to individuals or entities that invest at least \$25,000 in a qualified Maryland biotechnology company.
- [The Cybersecurity Investment Incentive Tax Credit](#) is allowed to firms that invest at least \$25,000 and have fewer than 50 employees.

**Sales/use tax refund on qualified investment:**

- [More Jobs for Marylanders – Manufacturing Tax credit](#) allows a refund of sales and use tax if new manufacturers to locate in Maryland and existing manufacturers to expand their workforce.
- New and existing manufacturers in Tier 1 counties create 5 jobs.
- Existing manufacturers in Tier 2 counties create 10 jobs.

**Personal property tax abatement:** None

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## Massachusetts

**Job credit:**

- The [Economic Development Incentive Program](#) provides tax credits to firms that commit to retaining and/or creating jobs.
- [Life Science Company Jobs Credit](#) is available for a business in the life sciences industry that creates at least 50 new jobs may be eligible for a corporate income tax credit. If the value of the jobs credit exceeds tax liability, up to 90% of the remaining credit will be refunded.

Investment credit: [Massachusetts Investment Tax Credit](#) offers a 3% credit for qualifying businesses for Massachusetts corporate excise tax used during the purchase or lease of a property.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## Michigan

**Job and Investment credit:**

- [Michigan Business Development Program](#) is available to eligible businesses that create at least 50 qualified new jobs, or create at least 25 qualified new jobs if a project is in a rural county or qualifies as a high-technology activity, or provides investment.
- [Good Jobs for Michigan Program](#) is available to eligible businesses that create at least 3000 new jobs, create at least 500 new jobs, or create 250 new jobs depending on the average annual wage paid.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:**

- [Personal Property Tax Relief in Distressed Communities](#) allows distressed communities, county seats and certain border county communities to abate personal property taxes on new investments made by eligible businesses.
- [Industrial Property Tax Abatement](#) provide incentives for eligible businesses to make new investments.

# Minnesota

**Job credit:** None

**Investment credit:**

- [Research and Development Tax Credit](#) allows for a 10% tax credit for the first \$2 million in investment, and 2.5% for investment in excess of \$2 million.
- [SEED Capital Investment Credit Program](#) allows for a 45% tax credit on their investment in Minnesota border cities.

**Sales/use tax refund on qualified investment:** [Greater MN Job Expansion Program](#) allows sales tax refunds on the purchases of qualified equipment if employment is increased 10% or at least 2 full time equivalent employees, compensation requirements are met, and the company participates in a traded sector.

Firms that build data or network operation centers of at least 25,000 square feet and invest \$30 million in the first four years of a [Data Center Sales Tax Incentives](#) may qualify for a sales tax exemption.

**Personal property tax abatement:** At the discretion of the city or county government.

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# Mississippi

**Job credit:**

- [Jobs Tax Credit](#) provides for tax credits with ranges from 2.5% to 10% of payroll for firms in certain industries who create 10, 15 or 20 jobs based on Tier rankings in certain regions of the state.
- The [Advantage Jobs Incentive Program](#) provides income tax withholding rebates to firms in certain industries hiring employees that pay above the average wage level of the county and provide basic health benefit plans.
- Qualified businesses that provide an average wage of 110% of the average county or state wage and creates 25 new full-time jobs, or data and information processing firms that pay 100% of the average state or county wage and create 200 new jobs may qualify.

**Investment credit:** The [Manufacturing Investment Tax Credit](#) requires existing participating manufacturers to invest \$1 million in buildings and/or equipment and receive an investment tax credit equal to 5% of the eligible investment.

**Sales/use tax refund on qualified investment:** The following industries may qualify for sales tax exemptions when given qualifications are met –

- [Mississippi Aerospace Industry Enterprises Program](#) that create at least 25 full time jobs and invest at least \$25 million.
- [Data centers](#) involving at least 20 new jobs, \$20 million in investment, with jobs paying 125% the average state wage.
- [New headquarters](#) that create 20 new HQ jobs.
- [Clean Energy](#) businesses that create 250 new full time jobs and invest \$50 million.

**Personal property tax abatement:** A number of property tax exemptions may be granted at the local level by county or municipal governments.

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# Missouri

**Job credit:**

- The [Missouri Works Program](#) allows income tax withholding credits for new job creation – 2 jobs and invest \$100,000 at 80% or 90% of county average wage, 10 jobs at 90% county average wage, 100 jobs at 120% or 140% average county wage.
- [Missouri Quality Jobs Program](#) provides benefits for companies creating at least 20 new jobs in rural counties or 40 new jobs in non-rural counties within two years. Technology business projects must create at least 10 jobs. High impact projects must create at least 100 jobs.

- [The Business Facility Tax Credit Program](#) provides tax credits to facilitate the expansion of their headquarters in the state. The facility must create at least 25 new jobs and make \$1 million investment for headquarters of certain employee-owned business.

**Investment credit:** The [Missouri BUILD Program](#) allows a tax credit for firms in eligible industries who invest a minimum of \$15 million, or \$10 million for an office industry, and create at least 100 jobs, 500 jobs if the project is an office industry, or 200 new jobs for an “office industry” in a distressed location.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## Montana

**Job credit:** Through the [New/Expanded Industry Credit](#), manufacturers who increase employment by 30% are eligible for a tax credit equal to 1% of the wages paid to new employees.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** No sales tax

**Personal property tax abatement:** [Property tax abatements](#) result in a reduction in the taxable value of the property. There are varieties of incentives available to reduce taxable values or apply a reduced rate.

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## Nevada

**Job credit:** See below

**Investment credit:** See below

**Sales/use tax refund on qualified investment:** [Sales and Use Tax](#) abatement is available for approved businesses that complete two of the three requirements: A capital investment of \$1 million in urban areas or \$250,000 in rural areas; 50 urban jobs created or 10 in rural areas, and certain wage requirements must be met. [Data Center Abatement and Aviation Parts Abatement](#) available with jobs, investment and wage requirements.

**Personal property tax abatement:** See [details here](#). To qualify, a firm must complete two of the three requirements: \$5 million investment for manufacturing facilities or \$1 million investment for any other facility in urban area; or \$1 million investment for manufacturing facilities or \$250,000 for any other facility in rural area; 50 jobs created in urban areas or 10 in rural areas; and certain wage requirements must be met. [Data Center Abatement](#) and [Aviation Parts Abatement](#) available with jobs, investment and wage requirements.

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## New Hampshire

**Job credit:** [Coos County Job Creation Tax Credit](#) is awarded to businesses hiring at least one employee for new, full-time positions that pay wages 150% higher than the current state minimum wage.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

## New Jersey

**Job credit:** [Emerge Program](#) provides businesses that are creating jobs for tax credits ranging from minimum \$500 to \$4,000 depending on the location per job, per year if businesses meet some certain job and capital investment requirements.

**Investment credit:** [Angel Investor Tax Credit Program](#) allows business 20% of the qualified investment made in a NJ emerging technology business up to \$500,000 for each qualified investment.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## New Mexico

**Job credit:**

- [High Wage Jobs Tax Credit](#) provides 8.5% of wages and benefits paid for each job created to employers who create jobs that pay at least \$60,000 in a community with a population greater than 60,000 and \$40,000 in a community with a population less than 60,000.
- [Rural Job Tax Credit](#) is available to manufacturers and non-retail service companies that locate in rural communities and create jobs.

**Investment credit:** New Mexico [Investment Tax Credit for manufacturers](#) has no minimum investment threshold specified but companies need to meet the applicable employment requirements.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Firms can abate personal property taxes through industrial revenue bonds at the discretion of the local government.

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## New York

**Job and investment credit:** Firms in the [Excelsior Jobs Program](#) may qualify for refundable tax credits.

- [Excelsior Jobs Tax Credit](#): A credit of 6.85% of wages per net new job.
- [Excelsior Investment Tax Credit](#): Valued at 2% of qualified investments.
- To qualify for the credits, some certain specific type of the firms need to create 5-100 jobs or create at least 150 new jobs and invest at least \$3 million for other types of firms.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Personal property is not taxed.

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## North Carolina

**Job credit:**

- The [Job Development Investment Grants](#) (JDIG) are available for firms creating opportunities and net increases in employment with no specified minimum threshold for investment or employment.
- JDIG also has a [High-Yield Project provision](#) for any firms that creates 1,750 jobs and invests \$500 million. Additionally, JDIG has a [Transformative Project provision](#) for any firms that creates 3,000 jobs and invests \$1 billion.



**Investment credit:**

- The [Job Maintenance and Capital Development fund](#) allows grants for businesses that have at least 2,000 employees, and invest \$200 million in capital improvements, or have 320 employees, and invest \$65 million for large manufacturing employers.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## North Dakota

**Job credit:** None

**Investment credit:**

- The [Agricultural Commodity Processing Facility Investment Tax Credit](#) allows for a 30% credit on investment in equipment, property, etc.
- Seed Capital Investment Tax Credit Program provides an income tax credit for making an investment in a qualified business. The credit is equal to 45% of the investment.

**Sales/use tax refund on qualified investment:** A sales and use tax exemption and refund may be granted for machinery or equipment used to produce [coal](#).

**Personal property tax abatement:** Personal property is not taxed.

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## Ohio

**Job credit:** The [Ohio Job Creation Tax Credit](#) is available to businesses that create at least 10 new full-time jobs at a facility in Ohio and pay 150% of the federal minimum wage.

**Investment credit:** [Research and Development Investment Tax Credit](#) provides a credit equal to 7% of the amount of qualified research expenses.

**Sales/use tax refund on qualified investment:** The [Data Center Tax Abatements](#) provide a sales-tax exemption rate and term that allows for partial or full sales tax exemption on the purchase of eligible data center equipment. Projects must meet minimum investment and payroll thresholds to be eligible.

**Personal property tax abatement:** None

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## Oklahoma

**Job credit:**

- The Quality Jobs Program is open to manufacturers and some service firms with new payroll of \$2.5 million or more. A lower payroll threshold of \$1.5 million is available for food processors and R&D projects.
- The Small Employer Quality Jobs Program allows small businesses with 500 or fewer employees that create between 5 and 15 new jobs to receive a 5% cash back incentive for seven years.
- 21st Century Quality Jobs requires the creation of 10 jobs with some annual wage requirements, depending on the county.
- Both programs require minimum wage and health coverage requirements.

#### Investment credit:

- The Investment/New Jobs Tax Credit package allows qualifying firms to choose the tax credit based on level of investment or new employees. The minimum investment is \$50,000 in depreciable property.
- Quality Jobs + Investment Tax Credit is available for manufacturers who invest at least \$40 million in addition to creating skilled jobs.
- Business Expansion Incentive Program assists Oklahoma firms making major qualified capital investments by giving annual cash payment awards.

**Sales/use tax refund on qualified investment:** Sales tax refunds are available for qualified activities:

- The purchase of computers and data processing equipment.
- Construction materials for certain new or expanding manufacturing facilities if:
  - construction costs exceed \$5 million and create 100 jobs;
  - combined total costs exceed \$50 million and create 75 jobs;
  - facilities with construction cost exceed \$300 million and maintain employment level of at least 1,750; or
  - construction cost at least \$5 million and create 250 jobs for qualified new or expanding aircraft maintenance and overhaul facilities.

**Personal property tax abatement:** None

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## Oregon

#### Job credit:

- The [Oregon Investment Advantage](#) allows firms who set up operations in an eligible county and create at least 5 jobs in an industry that is “first of its kind” and does not compete with another firm in the area
- The credit is against income tax liability.
- [Business Expansion Program](#) is available for firms that create at least 50 jobs and already have at least 150 employees with some annual pay requirements.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** No sales tax

**Personal property tax abatement:** None

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## Pennsylvania

#### Job credit:

- The [Job Creation Tax Credit](#) allows a \$1,000-per-job tax credit to create new jobs. Firms must create at least 25 new jobs or expand their workforces at least 20%.
- Manufacturing Tax Credit provides tax credits to taxpayers who increase their annual taxable payroll by \$ 1 million through the creation of new job.

#### Investment credit:

- [Qualified Manufacturing Innovation & Reinvestment Deduction](#) allows qualified manufacturing firms to deduct 5% of their private capital investment from their corporate net income tax liability if they invest at least 100 million in the creation of new or refurbished manufacturing capacity.

- [Rural Jobs and Investment Tax Credit Program](#) is available if firms invest at least \$100 million in rural areas of the commonwealth or other states.

**Sales/use tax refund on qualified investment:** [Computer Data Center Equipment Incentive Program](#) provides a tax refund for sales and use tax paid on qualified computer data center equipment.

**Personal property tax abatement:** None

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## Rhode Island

**Job credit:** [Qualified Jobs Incentive Tax Credit](#) allows firms to receive tax credits for up to 10 years. The minimum number of new jobs needed to qualify varies by industry and company size, can be 10 jobs.

**Investment credit:** Provides for a 10% [investment tax credit](#) depending on the NAICS code of the business and meeting certain wage levels or invest amounts.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## South Carolina

**Job credit:**

- [Job Tax Credit](#) is available if qualified firms create monthly average jobs as described below:
  - 175 jobs;
  - 100 jobs if the average compensation is 1.5 times county or state average, whichever is lower;
  - 50 jobs if the average compensation is 2 times county or state average, whichever is lower;
  - 25 jobs if the average cash compensation for jobs is 2.5 times county or state average, whichever is lower;
  - 150 jobs in a building that has been vacant for at least 12 months; or
  - 10 jobs in a Tier IV County.
  - For some certain industries creating two jobs could qualify for the Small Business Job Tax Credit.
- To qualify for the [Corporate Headquarters Tax Credit](#), a firm must hire 40 employees that are engaged in corporate headquarters or research and development. At least 20 of these jobs must be classified as staff employees.

**Investment credit:** Manufacturers locating or expanding in South Carolina may take a one-time credit of up to 2.5% when production equipment is purchased.

**Sales/use tax refund on qualified investment:** Construction materials will be exempt from sales tax if the company invests at least \$100 million. Technology intensive materials may qualify for exemptions in specified industries if \$300 million is invested and at least 100 new jobs are created. Data centers may earn a sales tax exemption if \$50 million is invested and 25 new jobs are created.

**Personal property tax abatement:** None

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## South Dakota

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Personal property is not taxed

# Tennessee

**Job credit:** The Job Tax Credit requires 25 new jobs and investment of at least \$500,000 in a qualified business enterprise or 10 jobs paying the state's average occupational wage in certain area. [Enhanced Job Tax Credit](#) allows an additional annual credit if the company creates jobs 10-25 based on Tier level.

**Investment credit:** Industrial machinery purchases can earn 1% to 10% tax credits.

**Sales/use tax refund on qualified investment:**

- HQs receive a non-expiring sales tax credit of 6.5% for qualified personal property.
- Warehouse/Distribution receives sales tax exemption if investing \$10M.
- Call Centers receive a tax exemption if at least 250 jobs are created.
- Data Centers can get sales tax exemption if investing \$100M and creating 15 new jobs paying at least 150% of the state's average occupational wage.

**Personal property tax abatement:** None

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# Texas

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:** The [sales tax exemption for qualified data centers](#) is available for operators who agree to create at least 20 new jobs and invest \$200 million in the data center over five years.

**Personal property tax abatement:** None

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# Utah

**Job credit:**

- [The Industrial Assistance Fund](#) requires firms to create at least 50 jobs in urban counties and pay 110% of urban county average wage or 110% of the rural county average wage. Approval from local economic development authorities is required.
- [EDTIF Tax Credit](#) provides up to 30% tax credit if firms creating at least 50 jobs in urban counties and pay 110% of urban county average wage or 110% of rural county average wage.

**Investment credit:** [Life Science and Technology Tax Credits](#) allows 35% of the investment if invest at least \$25,000 and do not have more than a 30% ownership interest in the business entity at the time of investment. [New Market Tax Credit program](#) is an effective tool used to attract private capital investment.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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# Vermont

**Job credit:** [Vermont Employment Growth Incentive Program](#)

- Full-time jobs created and paid 160% or 140% of Vermont minimum wage.

- Credit is a cash payment and not credit against income tax liability.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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## Virginia

**Job credit:**

- The [Major Business Facility Job Tax Credit](#) allows qualified companies locating or expanding in VA to receive a \$1,000-per-job tax credit for each new full-time job created. A firm located in a distressed area and enterprise zones must meet 25-job threshold, located in other areas have a 50-job threshold.
- [Green Job Creation Tax Credit](#) allows a credit against the Virginia personal or corporate income tax for each new green job created.
- [Part of Virginia Economic & Infrastructure Development Grant](#) allows a cash grant if the entity creates at least 25 new jobs. The cash grant range is \$1,000 to \$3,000 per job.
- [Virginia New Jobs Program](#) requires firms that have more than 250 employees to create at least 25 new jobs and invest at least \$1 million.
- [Small Business New Jobs](#) Program requires the companies that have 250 or fewer employees to create at least five new jobs and invest \$100,000.
- [Major Eligible Employer Grant](#) allows a grant if employers make a capital investment of at least \$100 million and create at least 1,000 new jobs or 400 jobs if the average pay is at least twice the locality's prevailing average wage.

**Investment credit:**

- The [Commonwealth's Opportunity Fund](#) can be made available in highly competitive situations and requires minimum capital investment, job creation, and wage requirements with matching commitment from the municipality.
- [Virginia Investment Performance Grant](#) is available for firms making at least \$25 million in investment and maintaining stable employment levels.
- [Major Eligible Employer Grant](#) available for firms investing at least \$100 million and creating at least 1,000 new jobs or 400 jobs.
- [Virginia Economic Development Incentive Grant](#) available for firms who create 400 jobs paying at least 150% greater than local wage, or 300 jobs at double the local wage, and make a capital investment of at least \$5 million, or \$6,500 per job if a firm locating in a metropolitan statistical area; in other areas need to create 200 jobs and paying 150% greater than the local wage and make a capital investment of \$6,500 per job.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Offered at the local level for certain industries and types of equipment ([P.25](#)).

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## Washington

**Job credit:** [Rural County/CEZ Business and Occupation \(B&O\) Tax Credits](#) allows firms in specific industries and located in the rural counties to receive a credit when increasing in-state employment by 15%.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

# West Virginia

## Job credit:

- The [High-Tech Manufacturing credit](#) allows firms that manufacture computers and components and create at least 20 new jobs within a year to receive a credit to offset liability in a variety of tax programs.
- [The Corporate Headquarters Credit](#) allows tax credits to a firm that relocates the headquarters to the state and creates 15 new jobs including the relocated employees.
- [The Economic Opportunity Credit](#) allows a credit to offset income tax liability for firms creating at least 20 new jobs within specified time limits, or 10 new jobs for smaller businesses.

Investment credit: The [Manufacturing Investment Credit](#) is allowed against up to 60% of corporate income tax based on qualified investment in eligible manufacturing property, with no new job creation required.

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** Special real and personal property tax valuations are available to firms in specified NAICS industries.

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# Wisconsin

## Job credit:

- The [business development credit](#) is available for those who are or intend to operate a business in Wisconsin, which is capped at 10% of wages and an additional 5% of wages if the eligible employee is employed in a distressed area.

**Investment credit:** None

**Sales/use tax refund on qualified investment:** None

**Personal property tax abatement:** None

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# Wyoming

**Job credit:** None

**Investment credit:** None

**Sales/use tax refund on qualified investment:**

- \$5 million investment required in capital infrastructure in addition to \$2 million investment in data center equipment and software purchases results in a sales and use tax exemption on qualifying computer equipment.
- \$50 million capital infrastructure investment in data center.

**Personal property tax abatement:** None

# Nebraska Advantage Rural Development Act Reporting Requirements

Neb Rev. Stat. § 77-27,195 provides:

(1) The Tax Commissioner shall prepare a report identifying the amount of investment in this state and the number of equivalent jobs created by each taxpayer claiming a credit pursuant to the Nebraska Advantage Rural Development Act. The report shall include the amount of credits claimed in the aggregate. The report shall be issued on or before July 15 of each year for all credits allowed during the previous calendar year. The Department of Revenue shall, on or before September 1 of each year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request.

(2) Beginning with applications filed on or after January 1, 2006, except for livestock modernization or expansion projects, the report shall provide information on project-specific total incentives used every two years for each approved project and shall disclose

(a) the identity of the taxpayer,

(b) the location of the project, and

(c) the total credits used and refunds approved during the immediately preceding two years expressed as a single, aggregated total.

The incentive information required to be reported under this subsection shall not be reported for the first year the taxpayer attains the required employment and investment thresholds. The information on first-year incentives used shall be combined with and reported as part of the second year. Thereafter, the information on incentives used for succeeding years shall be reported for each project every two years containing information on two years of credits used and refunds approved. The incentives used shall include incentives which have been approved by the Department of Revenue, but not necessarily received, during the previous two calendar years.

(3) For livestock modernization or expansion projects, the report shall disclose

(a) the identity of the taxpayer,

(b) the total credits used and refunds approved during the preceding calendar year, and

(c) the location of the project.

(4) No information shall be provided in the report that is protected by state or federal confidentiality laws.

# Nebraska Advantage Rural Development Act Summary Description

## General Information

The Nebraska Advantage Rural Development Act requires a taxpayer involved in a qualifying business to file an application with the Nebraska Department of Revenue (Department). For a list of qualified business activities, [click here](#). There are three different application levels under Nebraska Advantage Rural Development: Level 1; Level 2; and Livestock Modernization.

## Application Information

An application may be filed on or after the first day of the tax year. The application requests the total amount of expected increase in investment and employment in the year the application is filed and the following tax year. There is a statutory limit on the total benefits that may be approved for a calendar year. The requested benefits are applied to the limit in the order in which the complete applications were filed.

- [Application for Nebraska Advantage Rural Development Level 1](#)
- [Application for Nebraska Advantage Rural Development Level 2](#)
- [Application for Nebraska Advantage Livestock Modernization](#)

For applications filed on or after October 1, 2009, taxpayers must utilize E-verify to confirm that all new employees are legally able to work in the United States, as required by [Neb. Rev. Stat. § 77-27,188.03](#).

Beginning in 2016, the total credit pool authorized for all Nebraska Advantage Rural Development projects was changed. The total for all Level 1 and Level 2 projects is limited to \$1 million and the total for all Livestock Modernization projects is limited to \$500,000 in calendar year 2016; \$750,000 in calendar years 2017 and 2018; and \$1 million in calendar year 2019 and thereafter.

## Rural Development Act Available Funds and Requested Benefits

Year Ending	Number of Applicants	Total Requested Benefits	
		L1/L2	LM
12/31/2020	11	\$242,500	\$1,000,000
12/31/2019	16	762,250	1,000,000
12/31/2018	10	1,000,000	750,000
12/31/2017	10	1,000,000	750,000
12/31/2016	8	1,000,000	500,000
12/31/2015	8	935,500	
12/31/2014	7	1,000,000	
12/31/2013	2	1,000,000	
12/31/2012	6	1,000,000	



12/31/2011	7	2,412,750
12/31/2010	11	829,750
6/30/2010	10	1,271,854
6/30/2009	34	3,000,000
6/30/2008	34	3,000,000
6/30/2007	15	1,555,250
6/30/2006	15	2,086,000
6/30/2005	12	713,000

## Requirements by Application Level

**Level 1.** Project applications under Level 1 require a plan of expansion that includes a minimum of two new full-time equivalent (FTE) employees who are paid at least the minimum required wage, and \$125,000 of net, new investment. The expansion must occur in a county with a population of less than 15,000 inhabitants, a village, or an eligible census tract. Level 1 applications were first accepted for tax years beginning on or after January 1, 2006. For more information on the required wage rate and whether a location is eligible under Level 1, [click here](#).

**Level 2.** Project applications under Level 2 require a plan of expansion that includes a minimum of five new FTE employees who are paid at least the minimum required wage, and \$250,000 of net, new investment. The expansion must occur in a county with a population of less than 25,000 inhabitants, or a city of the second class. Level 2 applications were first accepted for tax years beginning on or after January 1, 2004. For more information on the required wage rate and whether a location is eligible under Level 2, [click here](#).

**Livestock Modernization.** Livestock Modernization is defined as the construction, improvement, or acquisition of buildings, facilities, or equipment for livestock housing, confinement, feeding, production, and waste management. The project must have a net, new investment of at least \$50,000. The expansion may occur in any county in Nebraska. There is no employment increase required. Livestock Modernization project applications were first accepted as of January 1, 2007.

## Benefits by Application Level

**Level 1 and Level 2.** If the Level 1 or Level 2 taxpayer reaches and maintains the required levels of investment and employment, it is eligible for a \$3,000 credit for each new FTE employee, and a \$2,750 credit for each \$50,000 net gain in qualified investment. The credits may be used: to obtain a refund of state sales and use taxes paid; against the income tax liability of the taxpayer; or as a refundable credit claimed on the income tax return of the taxpayer.

**Livestock Modernization.** If a Livestock Modernization taxpayer reaches and maintains the required level of investment, it is eligible to earn credits at 10% of investment. For applications filed on or after January 1, 2016, each project is limited to a maximum of \$150,000 in credits. The credits may be used: to obtain a refund of state sales and use taxes paid; against the income tax liability of the taxpayer; or as a refundable credit claimed on the income tax return of the taxpayer.

# Development Act Summary of Qualified Activity

Reporting Required by Neb. Rev. Stat. § 77-27,195(1)

Rural Development Business Activity Approved in 2020		
Project Number	FTEs <sup>1</sup>	Investment
1	11	\$8,301,889
2	6.12	17,954,747
3	0	2,265,689
4	0	9,753,027
5	0	16,892,669
6	0	2,141,268
<b>Total</b>	<b>17.12</b>	<b>\$57,309,289</b>
<sup>1</sup> FTE=Full Time Equivalent		

Rural Development Qualifying Activity through 2020				
Year	FTEs <sup>1</sup>	Investment	Tax Credits Earned	Tax Credits Used, Net of Recapture <sup>2</sup>
2020	17.12	\$57,309,289	\$1,427,888	\$1,427,888
2019	7.83	23,209,638	749,695	737,582 <sup>3</sup>
2018	0	0	0	---- <sup>3</sup>
2017	3	3,046,316	183,159	512,409
2016	22	70,820,146	1,814,214	1,484,964
2015	14	34,826,234	1,748,246	381,082
2014	0	117,681	---- <sup>4</sup>	---- <sup>4</sup>
2013	4	18,834,640	---- <sup>4</sup>	1,005,040
2012	6	4,835,301	185,025	223,800
2011	20	3,537,625	271,116	818,043
2010	33	39,801,633	1,855,335	1,072,976
2009	94	32,060,000	1,680,536	1,859,036
2008 & Before	132	16,754,580	1,201,047	996,547
<b>Total</b>	<b>352.95</b>	<b>\$305,153,083</b>	<b>\$11,116,261</b>	<b>10,519,367</b>
<sup>1</sup> FTE = Full Time Equivalent <sup>2</sup> To maintain confidentiality, recaptured tax credits are not separately stated. <sup>3</sup> Tax credits were used and recapture payments were received in 2018; however, to maintain confidentiality, they are reported combined with 2019. <sup>4</sup> Tax credits were earned and used; however, to maintain confidentiality they are reported combined with 2015.				

# Nebraska Advantage Rural Development Act Project-specific Benefits Approved

Reporting Required by Neb. Rev. Stat. § 77-27,195(2)-(3)

Livestock Modernization Project-specific Total Tax Incentives Used in 2020		
Project Name	Tax Credits Used and Refunds Approved	Location
Hendrix-ISA, LLC	\$126,404	Grand Island
Herchenbach, Kyle	150,000	Lindsay
M.G. Waldbaum Company	126,405	Bloomfield
Schulz Poultry LLC	109,979	Seward
<b>Total</b>	<b>\$512,788</b>	

Level 1 and Level 2 Project-specific Total Tax Incentives Used in 2019-2020		
Project Name	Tax Credits Used and Refunds Approved	Location
Plystack, LLC	\$37,000	Sutton
<b>Total</b>	<b>\$37,000</b>	

# Nebraska Advantage Microenterprise Tax Credit Act Reporting Requirements

Neb. Rev. Stat. § 77-5907 provides:

The Tax Commissioner shall prepare a report identifying the following aggregate amounts for the previous calendar year:

- (1) The amount of projected employment and investment anticipated by taxpayers receiving tentative tax credits and the tentative tax credits granted;
- (2) the actual amount of employment and investment made by taxpayers that were granted tentative tax credits in the previous calendar year;
- (3) the tax credits used; and
- (4) the tentative tax credits that expired.

The report shall be issued on or before July 15, 2007, and each July 15 thereafter. The Department of Revenue shall, on or before September 1 of each year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request. No information shall be provided in the report that is protected by state or federal confidentiality laws.

# Nebraska Advantage Microenterprise Tax Credit Act Summary Description

## General Information

The Nebraska Advantage Microenterprise Tax Credit Act allows an individual actively involved in the day-to-day activities of a microbusiness to apply for tax credits.

## Application Process and Benefits Received

The individual actively involved in the microbusiness must file an application, which includes:

- A description of the microbusiness;
- The market to be served by the microbusiness and the way the expansion addresses the market;
- The amount of projected investment or employment increase that would generate the tax credit;
- The projected improvement in income or creation of new self-employment or other jobs;
- The nature of the applicant's active involvement in the microbusiness; and
- Other documents required by DOR.

Each individual, and any related parties, are limited to a \$10,000 lifetime tax credit.

## [Application for Nebraska Advantage Microenterprise Tax Credit Act](#)

Applications requesting up to \$2 million, plus the unclaimed credits carried forward from the prior year, may be authorized in each calendar year.

The individual earns a refundable income tax credit equal to 20% of the microbusiness' new investment or employment, not to exceed the amount of tentative tax credits approved based on the application. New investment is an increase in purchases of buildings and depreciable assets, repairs and maintenance, advertising, legal, or professional services in the year of application and the following year, as compared to the year prior to application. New employment is an increase in employee compensation and the employer cost of health insurance in the year of application and the following year, as compared to the year prior to application. The tax credit is claimed by individuals when filing their Nebraska income tax return.

## Employment Criteria

The microbusiness must have five or fewer full-time equivalent (FTE) employees at the time of application to participate in the Nebraska Advantage Microenterprise Tax Credit Act. For applications filed on or after October 1, 2009, taxpayers must utilize [E-verify](#) to confirm that all new employees are legally able to work in the United States, as required by [Neb. Rev. Stat. § 77-5908](#).

## Location Criteria

For applications filed prior to August 24, 2017, the microbusiness must have been located at a site which met the statutory requirements related to population decline or per capita income level. As amended by [LB 217](#), for applications filed on or after August 24, 2017, there are no restrictions regarding where a microbusiness may be located.

# Nebraska Advantage Microenterprise Tax Credit Act Analysis

Reporting Required by Neb. Rev. Stat. § 77-5907

## Analysis Based on Application Estimates

Application Year	Projected Investment	Projected Compensation	Tax Credits Authorized
2020	\$5,674,086	\$10,263,129	\$676,005
2019	7,060,619	4,171,907	657,346
2018	6,643,959	6,527,301	813,449
2017	5,355,207	5,985,778	842,078
2016	6,953,847	7,346,408	1,028,832
2015	8,841,958	8,040,903	1,289,038
2014	11,420,439	12,952,599	1,563,529
2013	17,536,580	16,465,850	2,000,000
2012	9,109,578	14,582,501	2,000,000
2011	13,027,218	12,202,287	1,999,995
2010	14,440,291	10,780,605	2,000,000
2009	12,445,038	12,383,582	2,000,000
2008	26,494,484	7,882,647	2,000,000
2007	14,352,643	3,403,376	2,000,000
2006	16,104,723	14,075,040	2,000,000
<b>Total</b>	<b>\$175,460,670</b>	<b>\$147,063,913</b>	<b>\$22,870,272</b>

## Business Activity through 2020

The refundable credit earned by an applicant who is actively involved in a microbusiness is claimed on the individual's Nebraska income tax return. Since individual income tax returns are filed after the calendar year is completed, there are no credits approved in 2020 for applications filed in 2020.

Application Year	Actual Investment	Actual Compensation	Tax Credits Authorized	Tax Credits Expired
2019	\$388,607	\$557,323	\$90,689	\$0
2018 <sup>1</sup>	4,244,111	3,101,864	465,247	24,541
2017 <sup>1</sup>	4,040,684	3,603,751	568,006	0
2016	3,898,503	5,302,299	663,715	32,457
2015	5,902,363	8,387,577	914,987	20,568
2014	9,771,050	8,255,864	1,117,408	427,620
2013	6,926,450	10,950,429	1,243,870	708,336
2012	6,866,214	11,473,303	1,391,893	598,107
2011	9,307,971	11,736,900	1,395,937	609,667
2010	9,418,200	10,004,320	1,399,562	600,438
2009	7,058,971	14,397,372	1,294,163	705,837
2008	33,150,393	8,157,856	1,698,590	291,030
2007	21,596,507	5,592,077	1,778,424	221,576
2006	20,603,197	15,806,784	1,853,698	156,302
<b>Total</b>	<b>\$143,173,221</b>	<b>\$117,327,719</b>	<b>\$15,876,189</b>	<b>\$4,396,479</b>

<sup>1</sup>Reported activity has been updated from prior annual reports due to amended returns, audits, and posting corrections.

# Nebraska Advantage Research and Development Act Reporting Requirements

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Neb Rev. Stat. § 77-5807 provides:

Beginning July 15, 2007, and each July 15 thereafter the Tax Commissioner shall prepare a report stating the total amount of credits claimed on income tax returns or as refunds of sales and use tax during the previous calendar year.

The Department of Revenue shall, on or before September 1 of each year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request.

No information shall be provided in the report that is protected by state or federal confidentiality laws.



# Nebraska Advantage Research and Development Act Summary Description

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## General Information

The Nebraska Advantage Research and Development tax credit is available for tax years beginning on or after January 1, 2006. A business firm that incurs research and development expenditures is eligible for a Nebraska tax credit. If the firm does business within and without Nebraska, the federal tax credit must be apportioned before calculating the Nebraska tax credit.

## Description of Benefits

A business firm that incurs research and experimental expenditures (as defined in § 174 of the Internal Revenue Code) may claim a tax credit equal to 15% of the federal tax credit allowed. The tax credit may be used to obtain a refund of sales and use taxes paid, or as a refundable income tax credit. The tax credit is allowed for the first tax year it is claimed, and may be claimed for the following 20 tax years if the business firm continues to earn the federal credit.

In addition, business firms that make expenditures in research and experimental activities on the campus of a college or university in Nebraska, or at a facility in Nebraska owned by a college or university, are allowed a tax credit equal to 35% of the federal credit instead of the usual 15%. The tax credit is allowed for the first year it is claimed and may be claimed for the following 20 tax years if the business continues to earn the federal credit and continues to have expenditures on campus.

If the business firm makes expenditures in research and experimental activities in Nebraska and in other states, the tax credit will be apportioned to determine the amount based on activities conducted in Nebraska.

For credits claimed in a tax year beginning on or after January 1, 2009, taxpayers must utilize [E-verify](#) to confirm that all newly hired employees are legally able to work in the United States, as required by [Neb. Rev. Stat. § 77-5808](#).

# Nebraska Advantage Research and Development Act Summary of Benefits Approved

Reporting Required by Neb. Rev. Stat. § 77-5807

The tax credit may be used:

- To obtain a refund of state sales and use taxes paid;
- Against the income tax liability of the taxpayer; or
- As a refundable credit claimed on the income tax return of the taxpayer.

## Tax Credits Approved

Year	Income Tax Credits	Sales and Use Tax Refunds
2020	\$ 10,234,942	\$0
2019	7,067,844	0
2018	7,565,316	0
2017	6,390,492	0
2016	5,622,683	0
2015	3,639,692	0
2014	4,259,318	0
2013	2,814,397	0
2012	2,337,952	0
2011	2,279,546	0
2010	4,083,298	0
2009	2,235,956	0
2008	2,124,668	0
2007	43,124	0
2006	0	0
<b>Total</b>	<b>\$60,699,228</b>	<b>\$0</b>

# Employment & Investment Growth Act Reporting Requirements

Neb. Rev. Stat. § 77-4110 provides:

(1) The Tax Commissioner shall submit electronically an annual report to the Legislature no later than July 15 of each year. The Department of Revenue shall, on or before September 1 of each year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request.

(2) The report shall list

- (a) the agreements which have been signed during the previous calendar year,
- (b) the agreements which are still in effect,
- (c) the identity of each taxpayer, and
- (d) the location of each project.

(3) The report shall also state by industry group

- (a) the specific incentive options applied for under the Employment and Investment Growth Act,
- (b) the refunds allowed on the investment,
- (c) the credits earned,
- (d) the credits used to reduce the corporate income tax and the credits used to reduce the individual income tax,
- (e) the credits used to obtain sales and use tax refunds,
- (f) the number of jobs created,
- (g) the total number of employees employed in the state by the taxpayer on the last day of the calendar quarter prior to the application date and the total number of employees employed in the state by the taxpayer on subsequent reporting dates,
- (h) the expansion of capital investment,
- (i) the estimated wage levels of jobs created subsequent to the application date,
- (j) the total number of qualified applicants,

(k) the projected future state revenue gains and losses,

(l) the sales tax refunds owed to the applicants,

(m) the credits outstanding, and

(n) the value of personal property exempted by class in each county.

(4) No information shall be provided in the report that is protected by state or federal confidentiality laws.

# Employment and Investment Growth Act Summary Description

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## General Information

The Employment and Investment Growth Act (LB 775) allows a taxpayer involved in a qualified business to earn and use benefits for investment and employment growth. For a list of qualified and non-qualified business activities, [click here](#). There are three options that have varying requirements for investment and employment and for benefits.

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## Application Information

No new Employment and Investment Growth Act applications could be filed after December 31, 2005.

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## Application Options

Each of the options requires a stated increase in the investment and employment levels by the end of the attainment period.

The increase in investment is equal to the value of qualified property placed in service at the project after the date of application, net of retired assets or discontinued leases. The \$3 million and \$10 million in investment calculations are net of retired assets or discontinued leases placed in service at the project after the date of application. The \$20M in investment option is net of all retired assets and discontinued leases at the project.

The increase in employment is equal to the number of new full-time equivalent (FTE) employees at the project. The number of new FTE employees is the number of FTE employees at the project during a year, less the FTE employees during the base year. One FTE employee is equal to 40 hours per week for the entire year. A taxpayer in a qualified business may file an application electing one of the following options:

- **\$20 Million in Investment (net of retirements);**
  - **\$3 Million in Investment and 30 FTE Employees;** or
  - **\$10 Million in Investment and 100 FTE Employees.** A taxpayer applying under this option has a two-part agreement. When the project attains the minimum required levels of \$3 million investment in qualified property and 30 FTEs, the project is eligible for all benefits of a \$3 million and 30 FTE project. When the project attains the \$10 million and 100 FTEs, the taxpayer is also eligible for certain property tax exemptions.
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## Description of Time Periods:

### Year

Year means the federal taxable year of the taxpayer.

## Base Year

The base year is the year immediately preceding the year during which the application was filed.

## Attainment Period

The attainment period is the number of years, including the year of application, in which the taxpayer must meet the minimum levels of investment and employment required for benefits. All options must meet the minimum required levels within seven years.

## Entitlement Period

The entitlement period is the time period within which the taxpayer generally can both earn and use incentives. This period includes the year the taxpayer meets the minimum chosen levels of investment and employment, and the next six years.

## Carryover Period

During the carryover period, no additional credits are earned, but unused credits earned before the end of the entitlement period may be used. The carryover period begins the year after the end of the entitlement period and ends at the end of the eighth year after the entitlement period.

[Click here to view a sample time line.](#)

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## Description of Benefits:

### Benefits by Application Level

	\$20M	\$3M & 30 FTE	\$10M & 100 FTE
<b>Benefit</b>			
Sales Factor Election	✓	✓	✓
Direct Refund	✓	✓	✓
Investment Credit		✓	✓
Compensation Credit		✓	✓
Personal Property Tax Exemption			✓
<b>Use of Credits</b>			
Sales and Use Tax Refund		✓	✓
Income Tax Refund		✓	✓
Distribution of Credits		✓	✓

### Direct Refund

A direct refund is a refund of Nebraska and local sales and use taxes paid on the purchase of qualified property for use at the project, or on the purchase or lease of aircraft for use in connection with the project, which is placed in service during the attainment and entitlement periods. The aircraft may not be used to transport an elected official, or for fundraising for an elected official.

Qualified property is any tangible property of a type subject to depreciation, amortization, or other recovery under the Internal Revenue Code of 1986, or the components of such property, that will be used at the project. Qualified property does not include aircraft, barges, motor vehicles, railroad rolling stock, watercraft, or property that is rented to another person.

### **Investment Credit**

Investment credit is a credit equal to 10% of the investment made in qualified property at the project during the attainment and entitlement periods. The credit on qualified property placed in service, from the date of application through the end of the tax year that the minimum required levels are met, is earned in the qualification year. A credit is also earned on qualified property placed in service in other years of the entitlement period.

Investment credits may be used for a sales and use tax refund or an income tax refund.

### **Compensation Credit**

For each year of the entitlement period, the compensation credit is equal to 5% times the increase in compensation at the project. The increase in compensation is equal to the taxable compensation of new resident employees and base-year employees at the project in the current year minus the average compensation at the project in the year times the number of base-year employees.

The compensation credit may be used for a sales and use tax refund or an income tax refund.

### **Personal Property Tax Exemption**

Taxpayers may claim a personal property tax exemption on three types of property acquired after the date of application:

1. Turbine powered aircraft;
2. Computer systems and specific peripherals that require environmental controls of temperature and power; and
3. Business equipment involved directly in the processing of agricultural products.

Turbine powered aircraft may be exempted from the first January 1 following the date of acquisition of the property through the sixteenth December 31 after the application was filed. The aircraft may not be used to transport an elected official, or for fundraising for an elected official.

The computer systems and peripherals and agricultural processing equipment may be exempted from the first January 1 following the end of the year during which the required levels were exceeded through the sixteenth December 31 after the application was filed.

### **Sales and Use Tax Refund**

Credits may be used to obtain a refund of Nebraska and local sales and use taxes paid on otherwise non-refundable purchases used at the project. The credits must be earned in a prior tax year and can be used during the entitlement and carryover periods.

### **Income Tax Refund**

Credits may be used to reduce the income tax liability of the taxpayer's entire unitary group. The credits may be used in the year earned and are available during the entitlement and carryover periods.

Credits earned by a partnership, limited liability company, a subchapter S corporation, or an estate or trust may be distributed to its owners in the same proportion as income. The recipient of the distributed credit may use the credit to reduce their income tax liability from the year of distribution through the end of the carryover period.

## Employment and Investment Growth Act Agreements Still in Effect

Reporting Required by Neb. Rev. Stat. § 77-4110(2)

Company Name	Project Location	Project Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
Airlite Plastics Company	Omaha	69.6	30	2006
Bank Of The West	Omaha	20	0	2007
Blue Cross & Blue Shield of Nebraska & Subs.	Omaha, Lincoln, and Grand Island	13.4	100	2006
BMS Management, Inc.	Lincoln	10	100	2006
C S Precision Manufacturing, Inc.	Gering	7	33	2000
Chief Industries Inc.	Lexington and Omaha	47	100	2007
Cintas Corporation No. 2	Omaha	5.6	120	2002
CoxCom, LLC	Omaha	3	30	1997
Crete Carrier Corporation	Lincoln, Omaha, Bellevue, North Platte, and York	10	100	2007
D & W Fine Pack Holdings, LLC	Fort Calhoun	10	100	2006
Duncan Aviation, Inc.	Lincoln	20.2	100	2007
Eagle Capital Group, Inc.	Hastings	3.6	30	2002
Election Systems & Software, Inc.	Omaha	6.7	41	2007
Empirical Foods, Inc.	South Sioux City and Dakota City	72.1	175	2006
First York Ban Corp.	Albion, Aurora, Bartlett, Benedict, Bradshaw, Central City, Clay Center, Columbus, Davenport, Geneva, Glenvil, Grand Island, Hampton, Harvard, Henderson, McCool Junction, Monroe, Polk, Rising City, Shelton, St. Edward, Stromsburg, Sutton, Waco, and York	3	30	2000
Firstar Fiber, Inc.	Fremont and Omaha	43.5	180	2004
Fremont Beef Company	Fremont	3	30	2006
Global Industries, Inc.	Grand Island	10	100	2006
Gordman's, Inc.	Omaha	10	100	2001
HMN, Inc.	Fremont	8.6	30	2006
Jack Henry & Associates, Inc.	Omaha	10	100	2001
Jacobson Land and Cattle Company	Lincoln	10	100	2003
JBS USA, Inc. & Subsidiaries	Grand Island	21	100	2002
KAAPA Ethanol Ravenna, LLC	Ravenna	10	100	2006
KAAPA Ethanol, LLC	Kearney, Minden, and Elm Creek	95	100	2005
Kawasaki Motors Mfg. Corp.	Lincoln	50	80	2001
Lincoln Snacks, Inc.	Lincoln	8.7	50	2006
LL Interests, Inc.	Omaha	3.4	269	2001
Lockheed Martin Corporation	Bellevue	11.4	100	2005
Marianna Industries, Inc.	Omaha	5.6	30	2004
McCain Foods USA, Inc.	Grand Island	20	100	2004
Merck Sharp & Dohme Corp.	Elkhorn and Omaha	34.3	100	2007
Mid America Agri Products/Wheatland, LLC	Madrid	61	40	2007
Midwest Renewable Energy, LLC	Sutherland	23.5	40	2006
Millard Refrigerated Services	Douglas and Sarpy Counties	14.7	210	1990
MP Global Products, LLC	Norfolk	3.3	32	2000
Natura Pet Products, Inc.	Fremont	23.4	100	2002
Nebraska Corn Processing, LLC	Cambridge	61	40	2007
Nebraska Furniture Mart, Inc.	Omaha	25	100	2003
Nebraska Orthopaedic Hospital, LLC	Omaha	34.9	30	2007
Norfolk Iron & Metal Company	Norfolk	11	30	2004
Nucor Corporation	Norfolk	3	30	2007
Omaha Steaks International, Inc.	Omaha, Snyder, and Bellevue	12.8	105	2006
Omni Hotels Management Corporation	Omaha	3.4	30	2004
Parker Hannifin Corporation	Kearney	20.1	100	2007



Company Name	Project Location	Project Investment (\$ Millions)	Planned Employment (FTE)	Year Agreement Signed
Peter Kiewit Sons, Inc.	Omaha	10	100	2006
Pinnacle Bancorp, Inc.	Beatrice, Neligh, Schuyler, Wisner, Arnold, Lexington, Omaha, Elwood, Aurora, O'Neill, Ogallala, Verdigre, Lincoln, Madison, Central City, Palmer, Grant, Columbus, Crete, Osceola, Shelby, Gretna, Papillion, Elkhorn, Imperial, Fremont, Hampton, La Vista, Page, Waverly, Grand Island, Valentine, Hastings, Roseland, Fairfield, Bellevue, Humphrey, and Norfolk	10	100	2005
Pitney Bowes Presort Services, Inc.	Omaha and Lincoln	10.5	100	2014
Printco Graphics, Inc.	Omaha	3	67	2004
Securities America Financial Corporation	Omaha and La Vista	14	30	2007
Security National Bank	Omaha	5	30	2003
Siouxland Ethanol, LLC	Jackson	62.3	35	2006
Southwark Metal Manufacturing Co.	Fremont	4	30	2006
Standard Iron, Inc.	Grand Island	10.6	100	2007
State Steel of Omaha	Omaha	3.8	30	2004
Sysco Corporation & Subsidiaries	Omaha, Lincoln, and Grand Island	12	203	1998
Sysco Corporation & Subsidiaries	Lincoln	10	101	2005
Talent Plus, Inc.	Lincoln	10	100	2001
Tenaska, Inc.	Omaha	5	30	2005
The Auto Club Group & Subsidiaries	Omaha	12.1	250	2007
The Buckle, Inc.	Kearney	10.1	100	2004
TMCO, Inc.	Lincoln	4	34	2005
Tyco Healthcare Group LP	Norfolk	10	100	2006
Union Pacific Corporation	Greater Omaha	3	30	1996
Union Pacific Corporation	Statewide	3	30	1996
Valmont Industries, Inc.	Valley, Waverly, McCook, West Point, Omaha, and Columbus	10	100	2006
West Corporation	Omaha	22	144	1999
West Corporation	Omaha	43.5	175	2007
West Gate Banshares, Inc.	Lincoln	13.5	100	2004
West Pharmaceutical Services, Inc.	Kearney	10	100	2006
WIPRO, Inc.	Omaha	65	0	2006
Wright Printing Company	Omaha	5.1	33	2002
<b>Total Count:</b>	<b>72</b>			

# Employment and Investment Growth Act Summary of Qualified Project Activity

Reporting Required by Neb. Rev. Stat. § 77-4110(3)

Category	1988-2016	2017	2018	2019	2020	Total
<b>Tax Credits Earned:</b>						
Investment Credits	\$2,060,577,325	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Compensation Credits	\$761,345,894	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
<b>Total Credit Earned</b>	<b>\$2,821,923,219</b>	<b>\$2,954,760</b>	<b>(\$4,935,406)</b>	— <sup>2</sup>	— <sup>2</sup>	<b>\$2,819,942,573<sup>2</sup></b>
<b>Tax Credits Used:</b>						
Corporation Income Tax	\$881,453,138	\$34,595,031	\$3,455,231	\$20,912,587	\$10,230,738	\$950,646,725
Individual Income Tax	184,904,292	2,864,537	4,839,536	2,756,727	1,881,971	197,247,063
<b>Subtotal Income Tax</b>	<b>\$1,066,357,430</b>	<b>\$37,459,568</b>	<b>\$8,294,767</b>	<b>\$23,669,314</b>	<b>\$12,112,709</b>	<b>\$1,147,893,788</b>
Sales/Use Tax Refunds	\$1,084,424,153	\$21,838,250	\$16,518,749	\$14,889,431	\$8,347,096	\$1,146,017,679
<b>Total Tax Credits Used</b>	<b>\$2,150,781,583</b>	<b>\$59,297,818</b>	<b>\$24,813,516</b>	<b>\$38,558,745</b>	<b>\$20,459,805</b>	<b>\$2,293,911,467</b>
<b>Recapture<sup>3</sup>:</b>						
Repaid	\$61,025,481	\$184,810	\$272,589	— <sup>4</sup>	\$679,617 <sup>4</sup>	\$62,162,497 <sup>4</sup>
From Credit Carryover	\$64,187,465	\$0	— <sup>5</sup>	— <sup>5</sup>	\$0	\$64,187,465 <sup>5</sup>
Tax Credits Expired	\$242,416,252	\$18,827,695	\$26,680,211 <sup>5</sup>	\$13,019,021 <sup>5</sup>	\$24,327,476	\$325,270,655
Tax Credits Outstanding <sup>5</sup>	\$364,537,919	(\$75,170,753)	(\$56,429,133)	(\$51,577,766) <sup>2</sup>	(\$44,787,281) <sup>2</sup>	\$136,572,986 <sup>2</sup>
Qualified Investment	\$25,366,717,927	\$17,975,400	\$113,636,627	— <sup>2</sup>	— <sup>2</sup>	\$25,498,329,954 <sup>2</sup>
Direct Sales/Use Tax Refunds <sup>6</sup>	\$841,095,234	\$4,104,132	\$21,688,935	\$5,883,289	— <sup>8</sup>	\$872,771,589 <sup>8</sup>
Increase in New Jobs at Qualifying Projects	90,951	— <sup>9</sup>	0	102 <sup>9</sup>	— <sup>10</sup>	91,053 <sup>10</sup>
Sales/Use Tax Refunds Pending Approval at Year End	N/A	N/A	N/A	N/A	\$8,440,802	N/A

<sup>1</sup>To maintain confidentiality, Investment Credits and Compensation Credits are not separately stated.

<sup>2</sup>To maintain confidentiality, Investment Credits, Compensation Credits, Total Credit Earned, and Qualified Investment in 2019 and 2020 are not reported and not included in the total or other dependent figures.

<sup>3</sup>If a company fails to maintain either the minimum employment or investment required by its agreement, one-seventh of the refunds and one-seventh of the credits used are recaptured, and one-seventh of the credit carryover at the end of the entitlement period is recaptured for each year the company is below the required levels. Through December 31, 2020, 98 projects were in recapture.

<sup>4</sup>To maintain confidentiality, recapture repaid in 2019 is reported combined 2020.

<sup>5</sup>To maintain confidentiality, tax credits recaptured in 2018 and 2019 are reported combined with tax credits expired.

<sup>6</sup>Tax Credits Outstanding = Tax Credits Earned less Tax Credits Used, Recapture from Credits, and Tax Credits Expired.

<sup>7</sup>To maintain confidentiality, direct sales/use tax refunds on aircraft are not separately stated.

<sup>8</sup>To maintain confidentiality, direct sales/use tax refunds paid in 2020 are not reported and not included in the total.

<sup>9</sup>To maintain confidentiality, Increase in New Jobs at Qualifying Projects not reported in 2017 are added to 2019 and included in the total.

<sup>10</sup>To maintain confidentiality, Increase in New Jobs at Qualifying Projects are not reported in 2020 and are not included in the total.

# Industry Sector Codes, Application Option of Projects with Active Signed Agreements, and Qualified Projects by Industry

Reporting Required by Neb. Rev. Stat. § 77-4110(3)(a) and (3)(j)

Each project with a signed agreement is categorized by the primary business activity based on the North American Industry Classification System (NAICS), grouped by industry, and grouped by application option selected. The number of companies with remaining signed agreements does not include agreements which are no longer in effect, because the agreement has been withdrawn or discontinued by the taxpayer, or the project has been completed. The number of qualified companies includes all companies which have qualified under the program, even if the agreement is no longer in effect.

To maintain confidentiality, industry groups have been combined into Manufacturing and Non-manufacturing.

Industry Sector Codes, Major Industry Group Titles	Application Option	Number of Companies with Remaining Signed Agreements	Number of Qualified Companies 1988-2020
<b>MANUFACTURING</b>			
22, 23, 327 - Utilities; Construction; and Nonmetallic Mineral Product Manufacturing;	\$10M + 100 FTE	19	
311, 312 - Food and Beverage Manufacturing;			
314, 322, 323, 325, 326 - Textile Product Mills; Paper Manufacturing; Printing and Related Support Activities; Chemical Manufacturing; and Plastics and Rubber Products Manufacturing;	\$20M + 0 FTE	0	
321, 331, 332 - Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing; and			
333, 334, 335, 336, 337, 339 - Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture and Related Product; and Miscellaneous Product Manufacturing	\$3M + 30 FTE	16	
<b>Total Manufacturing</b>		<b>35</b>	<b>253</b>
<b>NON-MANUFACTURING</b>			
42 - Wholesale Trade;	\$10M + 100 FTE	19	
48, 49 - Transportation and Warehousing Services;			
51 - Information Services;	\$20M + 0 FTE	2	
52 - Finance and Insurance Services; and			
54, 56, 62, 81 - Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services	\$3M + 30 FTE	16	
<b>Total Non-Manufacturing</b>		<b>37</b>	<b>209</b>
<b>TOTAL</b>		<b>72</b>	<b>462</b>

# Employment and Investment Growth Act Qualified Project Activity by Industry 2020

Reporting Required by Neb. Rev. Stat. § 77-4110(3)

On the following tables that report activity by industry group, the industries are combined into Manufacturing and Non-manufacturing groupings to maintain confidentiality.

Manufacturing includes:

- 22, 23, 327** - Utilities, Construction, and Nonmetallic Mineral Product Manufacturing;
- 311, 312** - Food and Beverage Manufacturing;
- 314, 322, 323, 325, 326** - Textile Product Mills, Paper Manufacturing, Printing and Related Support Activities, Chemical Manufacturing, and Plastics and Rubber Products Manufacturing;
- 321, 331, 332** - Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing; and
- 333, 334, 335, 336, 337, 339** - Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture and Related Products; and Miscellaneous Product Manufacturing.

Non-manufacturing includes:

- 42** - Wholesale Trade;
- 48, 49** - Transportation and Warehousing Services;
- 51** - Information Services;
- 52** - Finance and Insurance Services; and
- 54, 56, 62, 81** - Professional, Scientific, and Technical; Administrative Support, Waste Management, and Remediation; Health Care; and Other Services.

## 2020

To maintain confidentiality, the following categories are not stated by industry:

- Investment Credits Earned;
- Compensation Credits Earned;
- Tax Credits Earned;
- Tax Credits Outstanding;
- Qualified Investment
- Recapture Repaid;
- Direct sales and use tax refunds;
- Increase in New Jobs at Qualifying Projects; and
- Number of People Employed.

Totals are reported in the 2020 column of Summary of Qualified Project Activity table.

Category	Manufacturing	Non-Manufacturing	Total
Tax Credits Used:			
Corporation Income Tax	\$7,957,690	\$2,273,048	<b>\$10,230,738</b>
Individual Income Tax	<u>\$1,835,799</u>	<u>\$46,172</u>	<u><b>\$1,881,971</b></u>
<b>Subtotal Income Tax</b>	<b>\$9,793,489</b>	<b>\$2,319,220</b>	<b>\$12,112,709</b>
Sales/Use Tax Refunds	<u>\$3,105,408</u>	<u>\$5,241,687</u>	<u><b>\$8,347,096</b></u>
<b>Total Tax Credits Used</b>	<b>\$12,898,897</b>	<b>\$7,560,907</b>	<b>\$20,459,805</b>
Tax Credits Recaptured and Tax Credits Expired	\$23,432,222	\$895,254	<b>\$24,327,476</b>
Sales/Use Tax Refunds Pending Approval at Year End	\$2,897,902	\$5,542,900	<b>\$8,440,802</b>

## Cumulative through 2020

To maintain confidentiality, the following categories are not stated by industry:

- Investment Credits Earned;
- Compensation Credits Earned;
- Qualified Investment;
- Recapture Repaid; and
- Increase in New Jobs at Qualifying Projects.

Totals are reported in the last column of Summary of Qualified Project Activity table.

Category	Manufacturing	Non-Manufacturing	Total
Tax Credits Earned <sup>1</sup>	\$1,275,962,590	\$1,543,979,983	<b>\$2,819,942,573</b>
Tax Credits Used:			
Corporate Income Tax	\$274,442,005	\$676,204,720	\$950,646,725
Individual Income Tax	<u>86,212,294</u>	<u>111,034,769</u>	<u>197,247,063</u>
<b>Subtotal Income Tax</b>	<b>\$360,654,299</b>	<b>\$787,239,489</b>	<b>\$1,147,893,788</b>
Sales/Use Tax Refunds	<u>\$588,719,342</u>	<u>\$557,298,336</u>	<u>\$1,146,017,680</u>
<b>Total Tax Credits Used</b>	<b>\$949,373,641</b>	<b>\$1,344,537,824</b>	<b>\$2,293,911,467</b>
Tax Credits Recaptured and Tax Credits Expired <sup>2</sup>	\$242,123,105	\$147,335,015	<b>\$389,458,120</b>
Tax Credits Outstanding <sup>3</sup>	\$84,465,844	\$52,107,144	<b>\$136,572,986</b>
Average Wage of New Employees <sup>3</sup>	\$30,312	\$34,117	\$32,377
<p><sup>1</sup>To maintain confidentiality, Tax Credits Earned in 2019 and 2020 are not reported or included in the total or other dependent figures.</p> <p><sup>2</sup>To maintain confidentiality, Tax Credits Recaptured and Tax Credits Expired are reported combined.</p> <p><sup>3</sup>Tax Credits Outstanding = Tax Credits Earned less Tax Credits Used, Recapture from Credits, and Tax Credits Expired.</p> <p><sup>3</sup>The estimated average wage of new jobs is calculated by multiplying FTE growth by the most recent average wage to determine the estimated compensation for each project. The sum of estimated compensation for all projects in the combined industry group is divided by the total FTE growth of the combined industry group.</p>			

# Employment and Investment Growth Act Analysis of Sales and Use Tax Refunds – Approved Refunds Net of Recapture, by Year and Cumulatively

Reporting Required by Neb. Rev. Stat. §§ 77-4110(3)(b), 77-4110(3)(e), and 77-4110(3)(l)

	APPROVED REFUNDS NET OF RECAPTURE						Refunds Pending as of 12/31/2020
	1988-2016	2017	2018	2019	2020	Total	
Number of Claims	16,313	128	107	105	52	16,705	21
State Tax	\$1,595,390,852	\$21,055,763	\$30,636,795	\$16,479,121	\$7,586,110	\$1,671,148,641	\$6,639,688
City Tax	\$296,442,223	\$4,822,251	\$7,498,613	\$4,217,129	\$1,825,450	\$314,805,665	\$1,801,114
<b>Total</b>	<b>\$1,891,833,075</b>	<b>\$25,878,014</b>	<b>\$38,135,407</b>	<b>\$20,696,249</b>	<b>\$9,411,560</b>	<b>\$1,985,954,305</b>	<b>\$8,440,802</b>

# Employment and Investment Growth Act Estimate of Personal Property Value Exempted

Reporting Required by Neb. Rev. Stat. § 77-4110(3)(n)

## Property Tax Benefit

When a company applies for LB 775 benefits under the \$10 million investment and 100 FTE option, a personal property tax exemption is available for:

- Turbine-powered aircraft used in connection with the project.

DOR conducts qualification audits to verify that the companies have met the minimum of \$10 million investment and 100 FTEs to qualify for the property tax exemption on the following property used in connection with the project:

- Computer systems, plus certain peripheral components connected to such computers; and
- Personal property, which is business equipment located in a single project involved directly in the manufacture or processing of agricultural products.

There was no personal property exempted under LB 775 in 2020.

The following table shows the value of personal property exempted cumulatively for tax years 1988-2020.

Estimate of Personal Property Value Exempted  
by Class in Each County  
(Cumulative for Tax Years 1988-2020)

County	Airplanes	Computer Equipment	Ag Processing Equipment	Total
Adams	0	0	615,664,721	\$615,664,721
Box Butte	0	102,472	0	\$102,472
Buffalo	31,315,561	15,412,852	67,563	\$46,795,976
Butler	0	41,145	0	\$41,145
Cheyenne	38,561,037	176,172,052	0	\$214,733,089
Colfax	0	0	343,019,198	\$343,019,198
Cuming	0	0	16,263,139	\$16,263,139
Custer	0	663,100	10,194	\$673,294
Dakota	0	0	960,211,461	\$960,211,461
Dawes	0	171,909	0	\$171,909
Dawson	0	0	232,425,195	\$232,425,195
Dixon	0	504,272	236,679,941	\$237,184,213
Dodge	0	258,633	103,807,006	\$104,065,639
Douglas	507,834,126	2,286,307,016	744,774,124	\$3,538,915,267
Gage	0	62,719	1,344,011	\$1,406,730
Hall	6,266,267	4,088,925	146,029,315	\$156,384,507
Knox	0	0	96,442,989	\$96,442,989
Lancaster	34,715,020	88,561,368	242,968	\$123,519,356
Lincoln	0	7,583,035	48,451	\$7,631,486
Madison	0	6,943	216,617,686	\$216,624,629
Otoe	0	0	100,540,081	\$100,540,081
Phelps	0	1,539,181	0	\$1,539,181
Platte	0	9,052,197	1,194,080,190	\$1,203,132,387
Red Willow	0	0	37,941	\$37,941
Saline	0	13,818,058	391,734,068	\$405,552,126
Sarpy	7,911,346	106,053,803	46,793,778	\$160,758,927
Scotts Bluff	0	345,383	0	\$345,383
Seward	0	141,359	0	\$141,359
Washington	0	340,809	1,610,190,471	\$1,610,531,280
Wayne	0	117,223	384,902	\$502,125
York	0	366,371	0	\$366,371
*Central	76,497,583	0	0	\$76,497,583
<b>TOTAL</b>	<b>\$703,100,940</b>	<b>\$2,711,710,826</b>	<b>\$7,057,409,392</b>	<b>\$10,472,221,158</b>
*Centrally assessed property with value distributed throughout the state. These figures represent estimates of the values exempted.				



# Employment and Investment Growth Act, Quality Jobs Act, and Invest Nebraska Act Projected Revenue Gains and (Losses) for Tax Years 2021-2025

## Reporting Required by Neb. Rev. Stat. § 77-4110(3)(k)

The Nebraska Department of Revenue (DOR), Research Section presents in this report on the Employment and Investment Growth Act, Quality Jobs Act, and Invest Nebraska Act the projected future amount of:

- Tax credits used;
- Tax credits that will expire; and
- Potential revenue gains (losses) under the acts

Note that 2017 is the last year for qualified projects under the Employment and Investment Growth Act (LB 775) to earn tax credit and to refund sales and use tax.

Using historical LB 775 data, DOR analyzed patterns of how companies used tax credits over the years and estimated the parameters using the pattern of how companies used tax credits. The parameters that DOR measured are annual rates of tax credit usage on income tax, and annual rates of tax credit usage on sales and use tax. These parameters are the building blocks of projecting future tax expenditure on tax credits.

The parameters were estimated using data from 1995 to 2005 – a period in which the program had progressively matured and the economy was, overall, in a stable condition. The selection of the time period allowed DOR to avoid any possible bias caused by extreme values.

Since the program will completely terminate in 2025, the tax credit balance in 2025 will be 0. DOR estimated an annual amount of total tax credits used during the effective period (2021 – 2025) based on projected tax credit balances and then separates the total amount into two tax credit usage components: (1) tax credit usage on income tax; and (2) tax credit usage on sales and use tax. The ratio of spending between income tax and sales and use tax was derived from historical LB 775 data. Then, DOR estimated the amount of tax credits that would be expired annually from 2021 to 2025.

Tax incentive programs in Nebraska are designed to attract business investments—both domestically and abroad—with the goal of creating jobs and generating economic growth in Nebraska. Tax incentive programs impact Nebraska’s tax revenue in two ways. First, tax revenue is positively affected when businesses hire new employees and increase levels of investment, which enhance economic growth. Second, tax revenue is negatively affected when Nebraska directly foregoes part of the tax revenue from the businesses that are in the tax incentive programs. Thus, the overall fiscal impact of tax incentive programs can be positive or negative.

To analyze the fiscal impact of the tax incentive programs, the dynamic Tax Revenue Analysis in Nebraska<sup>1</sup> (TRAIN) model—a custom-built Nebraska CGE model—is used. The TRAIN model mathematically expresses the Nebraska economy with over 1,300 equations and a Social Accounting Matrix (SAM) database. It has 28 industrial sectors, two factor sectors, an investment sector, nine household sectors, 33 government sectors, and a rest-of-the-world sector.

The table below shows the estimated revenue gains generated by new investment and employment over five years. Since TRAIN simulated dynamic scoring of investment, the revenue gains presented is reflecting an accumulating impact of the Act. The table also shows the net revenue gain (loss) and the cumulative revenue gain (loss) over six years. Note that using comprehensive historic data and the TRAIN model, DOR re-estimates cumulative revenue gain (loss).

<sup>1</sup>[A more detailed description of the TRAIN model is available here.](#)

Fiscal Analysis of the Employment and Investment Growth Act  
and the Invest Nebraska Act

Summary	2020 <sup>1</sup>	2021	2022
Revenue Generated by Increase in Economic Activities Due to LB 775 <sup>2</sup>	----	\$991,000	\$856,000
Tax Credits Used:			
Income Tax	\$12,112,709	\$7,683,040	\$5,912,367
Sales and Use Tax	<u>8,347,096</u>	<u>7,427,514</u>	<u>5,715,732</u>
<b>Total Tax Credits Used</b>	<b>\$20,459,805</b>	<b>\$15,110,554</b>	<b>\$11,628,099</b>
Direct Sales and Use Tax Refunds	\$0	\$0	\$0
Revenue Gain (Loss)	----	(\$14,119,554)	(\$10,772,099)
Cumulative Revenue Gain (Loss) <sup>3</sup>	----	(\$1,989,926,881)	(\$2,000,698,980)
Tax Credits Earned	\$0	\$0	\$0
Tax Credits Recaptured	0	0	0
Tax Credit Expired	<u>24,327,476</u>	<u>22,344,757</u>	<u>10,922,366</u>
Tax Credit Balance	<b>\$136,572,986</b>	<b>\$99,117,675</b>	<b>\$76,567,209</b>
Estimated Employment:			
Estimated New Jobs for Qualifying Tax Credits	0	----	----
Estimated Net Job Increase (Decrease)	----	----	----
Summary	2023	2024	2025
Revenue Generated by Increase in Economic Activities Due to LB 775 <sup>2</sup>	\$761,000	\$688,000	\$628,000
Tax Credits Used:			
Income Tax	\$5,040,551	\$3,183,032	\$1,753,434
Sales and Use Tax	<u>4,872,911</u>	<u>3,077,169</u>	<u>1,695,118</u>
<b>Total Tax Credits Used</b>	<b>\$9,913,462</b>	<b>\$6,260,201</b>	<b>\$3,448,552</b>
Direct Sales and Use Tax Refunds	\$0	\$0	\$0
Revenue Gain (Loss)	(\$9,152,462)	(\$5,572,201)	(\$2,820,552)
Cumulative Revenue Gain (Loss) <sup>3</sup>	(\$2,009,851,442)	(\$2,015,423,643)	(\$2,018,244,195)
Tax Credits Earned	\$0	\$0	\$0
Tax Credits Recaptured	0	0	0
Tax Credit Expired	<u>21,114,560</u>	<u>21,118,344</u>	<u>14,712,091</u>
Tax Credit Balance	<b>\$45,539,188</b>	<b>\$18,160,643</b>	<b>\$0</b>
Estimated Employment:			
Estimated New Jobs for Qualifying Tax Credits	----	----	----
Estimated Net Job Increase (Decrease)	----	----	----
<sup>1</sup> Figures for 2020 are actual amounts.			
<sup>2</sup> Since there is no new investment, the estimates are the same as the prior annual report. All effects are the result of carryover from previously earned investment credits.			
<sup>3</sup> Using comprehensive historical data and the TRAIN model, DOR re-estimates cumulative revenue gain (loss).			

# Invest Nebraska Act Reporting Requirements

Neb. Rev. Stat. § 77-5542 provides:

(1) The Department of Revenue shall submit electronically an annual report to the Legislature no later than July 15 each year. The report shall list

- (a) the agreements which have been signed during the previous calendar year,
- (b) the agreements which are still in effect,
- (c) the identity of each company, and
- (d) the location of each project.

The department shall, on or before September 1 of each year, appear at a joint hearing of the Appropriations Committee of the Legislature and the Revenue Committee of the Legislature and present the report. Any supplemental information requested by three or more committee members shall be presented within thirty days after the request.

(2) The report shall also state by industry group

- (a) the amount of wage benefit credits and investment tax credits allowed under the Invest Nebraska Act,
- (b) the number of direct jobs created at the projects,
- (c) the amount of direct capital investment under the act,
- (d) the estimated wage levels of jobs created by the companies at the projects,
- (e) the estimated indirect jobs and investment created on account of the projects, and
- (f) the projected future state and local revenue gains and losses from all revenue sources on account of the direct and indirect jobs and investment created on account of the projects.

(3) No information shall be provided in the report that is protected by state or federal confidentiality laws.

# Invest Nebraska Act Summary Description

## General Information

The Invest Nebraska Act (LB 620) allows a qualified business to receive a wage benefit credit, or an alternate investment credit. The Invest Nebraska Act required a separate application subject to approval by the Invest Nebraska Board. The members of the board were the Governor, the State Treasurer, and the chairperson of the Nebraska Investment Council.

## Application Information

No new applications could be filed after June 1, 2005.

## Requirements by Application Level

There were three levels that qualified businesses could choose from:

- \$10 million in investment in qualified property and at least 25 new full time equivalent (FTE) employees whose annual wage exceeds the Nebraska average annual wage. This option is only available for projects located outside of counties with 100,000 or more in population;
- \$50 million in investment in qualified property and at least 500 new FTE employees, OR \$100 million in investment and at least 250 new FTE employees. The new employees' annual wage must exceed 110% of the Nebraska average annual wage; or
- \$200 million investment in qualified property and at least 500 new FTE employees, whose annual wage exceeds 120% of the Nebraska average annual wage.

## Description of Benefits

A company that reaches and maintains the selected levels is eligible for benefits. An eligible company earns a wage benefit credit from zero to five percent of the taxable wages paid to new employees earning more than the required wage level. A company selecting the \$200 million and 500 FTE option may receive, in lieu of a wage benefit credit, an alternate investment tax credit of 15 percent of the investment.

The company is to expend at least the value of the wage benefit credit, or alternate investment tax credit, for company training programs, employee benefit programs, educational institution training programs, or workplace safety programs.

The agreement specifies the option elected and the available benefits. The wage benefit credit and the alternative investment tax credit may be used for up to 100% of the income tax liability. The wage benefit credit may also be used to retain a portion of the taxpayer's income tax withholding liability.

## Activity as of December 31, 2020

Credits were allowed under LB 620; however, to maintain confidentiality, information is reported in aggregate for 2010-2013, and 2014-2016. Due to the small number of companies reporting, no information is reported for 2017-2020.

# Invest Nebraska Act Active Signed Agreements

Reporting Required by Neb. Rev. Stat. § 77-5542(1)

Company Name	Project Location	Project Type	Year Agreement Signed
Abengoa US LLC	Ravenna	\$95M + 100 FTE	2003
Empirical Foods, Inc.	South Sioux City	\$15M + 25 FTE	2004
Natura Manufacturing, Inc.	Fremont	\$10M + 25 FTE	2003
Platte Valley Fuel Ethanol, LLC	Central City and Columbus	\$55M + 32 FTE	2004
Union Pacific Railroad Company	Omaha	\$200M + 500 FTE	2001

FTE = Full Time Equivalent

# Invest Nebraska Act Activity as of December 31, 2020

Reporting Required by Neb. Rev. Stat. § 77-5542(2)(a)-(d)

To maintain confidentiality, Invest Nebraska activity is reported cumulatively for 2010-2013 and 2014-2016. No 2014-2020 investment or employment information or 2017-2020 credit usage information is included due to the small number of companies reporting

## Invest Nebraska Act Activity as of December 31, 2020

Year	Cumulative Investment	FTEs <sup>1</sup>	Estimated Wage Level	Wage Benefit & Investment Credits Used
2017-2020	--- <sup>2</sup>	--- <sup>2</sup>	--- <sup>2</sup>	--- <sup>2</sup>
2014-2016	--- <sup>2</sup>	--- <sup>2</sup>	--- <sup>2</sup>	\$42,551,871
2010-2013	\$605,658,880	1,482	\$61,957	\$6,613,366
<sup>1</sup> FTE=Full Time Equivalent <sup>2</sup> To maintain confidentiality, no information is disclosed due to a decline in the number of companies reporting activity.				