

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 468

Introduced by Clements, 2.

Read first time January 21, 2025

Committee:

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
2 33-110, 60-158, 60-3,186, 76-901, 76-903, 77-684, 77-912, 77-1327,
3 77-1720, 77-1804, and 81-12,146, Reissue Revised Statutes of
4 Nebraska, and sections 8-1120, 77-2005, 77-2006, 77-6203, 77-6815,
5 77-6831, and 77-6833, Revised Statutes Cumulative Supplement, 2024;
6 to distribute certain funds to counties as prescribed; to change
7 provisions relating to certain fees and the motor vehicle tax; to
8 change the amount and distribution of the documentary stamp tax; to
9 change the distribution of taxes relating to car line companies and
10 insurance premiums; to change fee provisions relating to real estate
11 sold for delinquent taxes; to change provisions relating to
12 inheritance taxes and the nameplate capacity tax; to change
13 provisions of the Imagine Nebraska Act; to eliminate a sales tax
14 exemption and a definition relating to data centers; to harmonize
15 provisions; to provide an operative date; to repeal the original
16 sections; to outright repeal sections 77-2701.54 and 77-2704.62,
17 Reissue Revised Statutes of Nebraska; and to declare an emergency.
18 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 8-1120, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 8-1120 (1) Except as otherwise provided in this section, the
4 Securities Act of Nebraska shall be administered by the Director of
5 Banking and Finance who may employ such deputies, examiners, assistants,
6 or counsel as may be reasonably necessary for the purpose thereof. The
7 employment of any person for the administration of the act is subject to
8 section 49-1499.07. The director may delegate to a deputy director or
9 counsel any powers, authority, and duties imposed upon or granted to the
10 director under the act, such as may be lawfully delegated under the
11 common law or the statutes of this state. The director may also employ
12 special counsel with respect to any investigation conducted by him or her
13 under the act or with respect to any litigation to which the director is
14 a party under the act.

15 (2) A security issued by and representing an interest in or a debt
16 of, or guaranteed by, any insurance company shall be registered, pursuant
17 to the provisions of sections 8-1104 to 8-1109, with the Director of
18 Insurance who shall as to such registrations administer and enforce the
19 act, and as pertains to the administration and enforcement of such
20 registration of such securities all references in the act to director
21 shall mean the Director of Insurance.

22 (3)(a) It shall be unlawful for the director or any of his or her
23 employees to use for personal benefit any information which is filed with
24 or obtained by the director and which is not made public. Neither the
25 director nor any of his or her employees shall disclose any confidential
26 information except among themselves, when necessary or appropriate in a
27 proceeding, examination, or investigation under the act, or as authorized
28 in subdivision (3)(b) of this subsection. No provision of the act shall
29 either create or derogate from any privilege which exists at common law
30 or otherwise when documentary or other evidence is sought under a
31 subpoena directed to the director or any of his or her employees.

1 (b)(i) In administering the act, the director may also:

2 (A) Enter into agreements or relationships with other government
3 officials, including, but not limited to, the securities administrator of
4 a foreign state and the Securities and Exchange Commission, or self-
5 regulatory organizations, to share resources, standardized or uniform
6 methods or procedures, and documents, records, and information; or

7 (B) Accept and rely on examination or investigation reports made by
8 other government officials, including, but not limited to, the securities
9 administrator of a foreign state and the Securities and Exchange
10 Commission, or self-regulatory organizations.

11 (ii) For purposes of this subdivision, foreign state means any state
12 of the United States, other than the State of Nebraska, any territory of
13 the United States, including Puerto Rico, Guam, American Samoa, the Trust
14 Territory of the Pacific Islands, or the Virgin Islands, and the District
15 of Columbia.

16 (4) The director may adopt and promulgate rules and regulations and
17 prescribe forms to carry out the act. No rule and regulation may be
18 adopted and promulgated or form may be prescribed unless the director
19 finds that the action is necessary or appropriate in the public interest
20 or for the protection of investors and consistent with the purposes
21 fairly intended by the policy and provisions of the act. In adopting and
22 promulgating rules and regulations and prescribing forms the director may
23 cooperate with the securities administrators of the other states and the
24 Securities and Exchange Commission with a view to effectuating the policy
25 of the Securities Act of Nebraska to achieve maximum uniformity in the
26 form and content of registration statements, applications, and reports
27 wherever practicable. All rules and regulations and forms of the director
28 shall be published and made available to any person upon request.

29 (5) No provision of the act imposing any liability shall apply to
30 any act done or omitted in good faith in conformity with any rule and
31 regulation, form, or order of the director, notwithstanding that the rule

1 and regulation or form may later be amended or rescinded or be determined
2 by judicial or other authority to be invalid for any reason.

3 (6) Every hearing in an administrative proceeding shall be public
4 unless the director in his or her discretion grants a request joined in
5 by all the respondents that the hearing be conducted privately.

6 (7)(a) The Securities Act Cash Fund is created. All filing fees,
7 registration fees, and all other fees and all money collected by or paid
8 to the director under any of the provisions of the act shall be remitted
9 to the State Treasurer for credit to the fund, except that registration
10 fees collected by or paid to the Director of Insurance pursuant to the
11 provisions of the act shall be credited to the Department of Insurance
12 Cash Fund. The Securities Act Cash Fund shall be used for the purpose of
13 administering and enforcing the provisions of the act, except that
14 transfers may be made to the General Fund at the direction of the
15 Legislature and distributions to counties may be made as provided in
16 subdivision (7)(c) of this section. Any money in the Securities Act Cash
17 Fund available for investment shall be invested by the state investment
18 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
19 State Funds Investment Act.

20 (b) The State Treasurer shall transfer twenty-nine ~~thirty-four~~
21 million dollars from the Securities Act Cash Fund to the General Fund on
22 or before June 30, 2026, on such dates and in such amounts as directed by
23 the budget administrator of the budget division of the Department of
24 Administrative Services. The State Treasurer shall transfer twenty-three
25 ~~twenty-eight~~ million dollars from the Securities Act Cash Fund to the
26 General Fund on or before June 30, 2027, on such dates and in such
27 amounts as directed by the budget administrator of the budget division of
28 the Department of Administrative Services. The State Treasurer shall
29 transfer twenty-three ~~twenty-eight~~ million dollars from the Securities
30 Act Cash Fund to the General Fund on or before June 30, 2028, on such
31 dates and in such amounts as directed by the budget administrator of the

1 budget division of the Department of Administrative Services. The State
2 Treasurer shall transfer twenty-three ~~twenty-eight~~ million dollars from
3 the Securities Act Cash Fund to the General Fund on or before June 30,
4 2029, on such dates and in such amounts as directed by the budget
5 administrator of the budget division of the Department of Administrative
6 Services.

7 (c) Beginning July 1, 2025, the State Treasurer shall distribute
8 five million dollars annually from the Securities Act Cash Fund to the
9 counties proportionately in the proportion that the population of each
10 county bears to the entire state, as shown by the last federal decennial
11 census.

12 (8) A document is filed when it is received by the director. The
13 director shall keep a register of all applications for registration and
14 registration statements which are or have ever been effective under the
15 Securities Act of Nebraska and all denial, suspension, or revocation
16 orders which have ever been entered under the act. The register shall be
17 open for public inspection. The information contained in or filed with
18 any registration statement, application, or report may be made available
19 to the public under such conditions as the director may prescribe.

20 (9) The director may, by rule and regulation or order, authorize or
21 require the filing of any document required to be filed under the act by
22 electronic or other means, processes, or systems.

23 (10) Upon request and at such reasonable charges as he or she shall
24 prescribe, the director shall furnish to any person photostatic or other
25 copies, certified under his or her seal of office if requested, of any
26 entry in the register or any document which is a matter of public record.
27 In any proceeding or prosecution under the act, any copy so certified
28 shall be prima facie evidence of the contents of the entry or document
29 certified.

30 (11) The director in his or her discretion may honor requests from
31 interested persons for interpretative opinions.

1 **Sec. 2.** Section 33-110, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 33-110 (1) County clerks shall receive no fee for the performance of
4 the following services: For issuing certificates of election; for
5 performing the duties of clerk of the county board; for taking
6 acknowledgments of claims against the county; for attesting or certifying
7 any document authorized by the county board or required by the
8 departments of the state; or for recording Army or Navy discharges or
9 furnishing certified copies thereof to be used in connection with any
10 claim for compensation or disability. A charge of twenty-five cents shall
11 be made for any other certificate and seal unless otherwise provided. The
12 fees collected shall be credited to the county general fund.

13 (2) County clerks shall receive a fee of forty ~~twenty-five~~ dollars
14 for the entire proceedings of issuing a marriage license, administering
15 the related oaths or affirmations, and recording a marriage certificate.
16 An additional fee of fifteen ~~nine~~ dollars shall be made for each
17 certified copy of a marriage record on file in the office of the county
18 clerk. Both such fees shall be deposited in the county general fund. It
19 is the intent of the Legislature to examine the amount of the fees
20 provided in this subsection at least once every five years beginning in
21 2030 in order to determine whether such fees should be adjusted.

22 **Sec. 3.** Section 60-158, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 60-158 (1) For each identification inspection conducted by the
25 patrol, the fee shall be ten dollars, which shall be remitted to the
26 State Treasurer for credit to the Nebraska State Patrol Cash Fund.

27 (2) For each identification inspection conducted by a county
28 sheriff, the fee shall be twenty dollars plus mileage at the rate
29 provided in section 33-117 for each mile in excess of ten miles that was
30 actually and necessarily traveled in conducting the identification
31 inspection ~~ten dollars~~, which shall be paid to the county treasurer and

1 credited to the county sheriff's vehicle inspection account within the
2 county general fund. It is the intent of the Legislature to examine the
3 amount of the fee provided in this subsection at least once every five
4 years beginning in 2030 in order to determine whether such fee should be
5 adjusted.

6 **Sec. 4.** Section 60-3,186, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 60-3,186 (1) The department shall annually determine the motor
9 vehicle tax on each motor vehicle registered pursuant to section 60-3,187
10 and shall cause a notice of the amount to be delivered to the registrant.
11 The notice may be delivered to the registrant at the address shown upon
12 his or her registration certificate or the registrant's most recent
13 address according to information received by the department from the
14 National Change of Address program of the United States Postal Service or
15 delivered electronically to the registrant if the registrant has provided
16 electronic contact information to the department. The notice shall be
17 provided on or before the first day of the last month of the registration
18 period.

19 (2)(a) The motor vehicle tax, motor vehicle fee, registration fee,
20 sales tax, and any other applicable taxes and fees shall be paid to the
21 county treasurer prior to the registration of the motor vehicle for the
22 following registration period. If the motor vehicle being registered has
23 been transferred as a gift or for a nominal amount, any sales tax owed by
24 the transferor on the purchase of the motor vehicle shall have been paid
25 or be paid to the county treasurer prior to the registration of the motor
26 vehicle for the following registration period.

27 (b) After retaining two ~~one~~ percent of the motor vehicle tax
28 proceeds collected for costs incurred by the county treasurer, and after
29 transferring one percent of the motor vehicle tax proceeds collected to
30 the State Treasurer for credit to the Vehicle Title and Registration
31 System Replacement and Maintenance Cash Fund, the remaining motor vehicle

1 tax proceeds shall be allocated to each county, local school system,
2 school district, city, and village in the tax district in which the motor
3 vehicle has situs.

4 (c)(i) Twenty-one and eight-tenths ~~Twenty-two~~ percent of the
5 remaining motor vehicle tax proceeds shall be allocated to the county,
6 (ii) sixty percent shall be allocated to the local school system or
7 school district, and (iii) eighteen and two-tenths percent shall be
8 allocated to the city or village, except that (A) if the tax district is
9 not in a city or village, forty percent shall be allocated to the county,
10 and (B) in counties containing a city of the metropolitan class, eighteen
11 and two-tenths percent shall be allocated to the county and twenty-one
12 and eight-tenths ~~twenty-two~~ percent shall be allocated to the city or
13 village.

14 (d) The amount allocated to a local school system shall be
15 distributed to school districts in the same manner as property taxes.

16 (3) Proceeds from the motor vehicle tax shall be treated as property
17 tax revenue for purposes of expenditure limitations, matching of state or
18 federal funds, and other purposes.

19 **Sec. 5.** Section 76-901, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 76-901 There is hereby imposed a tax on the grantor executing the
22 deed as defined in section 76-203 upon the transfer of a beneficial
23 interest in or legal title to real estate at the rate of two dollars and
24 seventy-five ~~twenty-five~~ cents for each one thousand dollars value or
25 fraction thereof. For purposes of sections 76-901 to 76-908, value means
26 (1) in the case of any deed, not a gift, the amount of the full actual
27 consideration thereof, paid or to be paid, including the amount of any
28 lien or liens assumed, and (2) in the case of a gift or any deed with
29 nominal consideration or without stated consideration, the current market
30 value of the property transferred. Such tax shall be evidenced by stamps
31 to be attached to the deed. All deeds purporting to transfer legal title

1 or beneficial interest shall be presumed taxable unless it clearly
2 appears on the face of the deed or sufficient documentary proof is
3 presented to the register of deeds that the instrument is exempt under
4 section 76-902.

5 **Sec. 6.** Section 76-903, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 76-903 The Tax Commissioner shall design such stamps in such
8 denominations as in his or her judgment will be the most advantageous to
9 all persons concerned. When any deed subject to the tax imposed by
10 section 76-901 is offered for recordation, the register of deeds shall
11 ascertain and compute the amount of the tax due thereon and shall collect
12 such amount as a prerequisite to acceptance of the deed for recordation.
13 If a dispute arises concerning the taxability of the transfer, the
14 register of deeds shall not record the deed until the disputed tax is
15 paid. If a disputed tax has been paid, the taxpayer may file for a refund
16 pursuant to section 76-908. The taxpayer may also seek a declaratory
17 ruling pursuant to rules and regulations adopted and promulgated by the
18 Department of Revenue. From each two dollars and seventy-five ~~twenty-five~~
19 cents of tax collected pursuant to section 76-901, the register of deeds
20 shall retain one dollar and thirty-five ~~thirty-five~~ cents to be placed in the
21 county general fund and shall remit the balance to the State Treasurer
22 who shall credit ninety ~~ninety-five~~ cents of such amount to the
23 Affordable Housing Trust Fund, ~~twenty-five cents of such amount to the~~
24 ~~Site and Building Development Fund,~~ twenty-five cents of such amount to
25 the Homeless Shelter Assistance Trust Fund, and twenty-five ~~thirty~~ cents
26 of such amount to the Behavioral Health Services Fund.

27 **Sec. 7.** Section 77-684, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 77-684 The Property Tax Administrator shall, on or before January 15
30 each year, establish a tax rate for purposes of taxation against the
31 taxable value as provided in sections 77-682 and 77-683 at a rate which

1 shall be equal to the total property taxes levied in the state divided by
2 the total taxable value of all taxable property in the state as certified
3 pursuant to section 77-1613.01. The date when such tax rate is determined
4 shall be deemed to be the levy date for the property. The Property Tax
5 Administrator shall send to each car line company a statement showing the
6 taxable value, the tax rate, and the amount of the tax and a statement
7 that such tax is due and payable to the Property Tax Administrator on
8 January 31 next following the levy thereof. If a car line company feels
9 aggrieved, such company may, on or before February 15, file an appeal
10 with the Tax Commissioner. The Tax Commissioner shall act upon the appeal
11 and shall issue a written order mailed to the company within seven days
12 after the date of the order. The order may be appealed within thirty days
13 after the date of the order to the Tax Equalization and Review Commission
14 in accordance with section 77-5013. The Property Tax Administrator shall
15 remit the tax collected, less a three-percent collection fee, to the
16 State Treasurer, and such taxes shall then be distributed to the counties
17 to the credit of the county general fund in the same proportion that the
18 total property taxes levied in the county bears to the total property
19 taxes levied in the state as a whole, as certified pursuant to section
20 77-1613.01 for distribution among the taxing subdivisions in proportion
21 to all railroad taxes levied by taxing subdivisions. The collection fee
22 shall be remitted to the State Treasurer for credit to the Department of
23 Revenue Property Assessment Division Cash Fund.

24 **Sec. 8.** Section 77-912, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 77-912 The Director of Insurance shall transmit fifty percent of the
27 taxes paid in conformity with Chapter 44, article 1, and Chapter 77,
28 article 9, to the State Treasurer, thirty ~~forty~~ percent of such taxes
29 paid to the General Fund, ~~and~~ ten percent of such taxes paid to the
30 Mutual Finance Assistance Fund, and ten percent of such taxes paid to the
31 counties proportionately in the proportion that the population of each

1 county bears to the entire state, as shown by the last federal decennial
2 census, promptly upon completion of his or her audit and examination and
3 in no event later than May 1 of each year, except that:

4 (1) All fire insurance taxes paid pursuant to sections 44-150 and
5 81-523 shall be remitted to the State Treasurer for credit to the General
6 Fund;

7 (2) All workers' compensation insurance taxes paid pursuant to
8 section 44-150 shall be remitted to the State Treasurer for credit to the
9 Compensation Court Cash Fund; and

10 (3) Commencing with the premium and related retaliatory taxes for
11 the taxable year ending December 31, 2001, and for each taxable year
12 thereafter, all premium and related retaliatory taxes imposed by section
13 44-150 or 77-908 paid by insurers writing health insurance in this state
14 shall be remitted to the Comprehensive Health Insurance Pool Distributive
15 Fund.

16 **Sec. 9.** Section 77-1327, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 77-1327 (1) It is the intent of the Legislature that accurate and
19 comprehensive information be developed by the Property Tax Administrator
20 and made accessible to the taxing officials and property owners in order
21 to ensure the uniformity and proportionality of the assessments of real
22 property valuations in the state in accordance with law and to provide
23 the statistical and narrative reports pursuant to section 77-5027.

24 (2) All transactions of real property for which the statement
25 required in section 76-214 is filed shall be available for development of
26 a sales file by the Property Tax Administrator. All transactions with
27 stated consideration of more than one hundred dollars or upon which more
28 than two dollars and seventy-five ~~twenty-five~~ cents in documentary stamp
29 taxes are paid shall be considered sales. All sales shall be deemed to be
30 arm's length transactions unless determined to be otherwise under
31 professionally accepted mass appraisal techniques. The Department of

1 Revenue shall not overturn a determination made by a county assessor
2 regarding the qualification of a sale unless the department reviews the
3 sale and determines through the review that the determination made by the
4 county assessor is incorrect.

5 (3) The Property Tax Administrator annually shall make and issue
6 comprehensive assessment ratio studies of the average level of
7 assessment, the degree of assessment uniformity, and the overall
8 compliance with assessment requirements for each major class of real
9 property subject to the property tax in each county. The comprehensive
10 assessment ratio studies shall be developed in compliance with
11 professionally accepted mass appraisal techniques and shall employ such
12 statistical analysis as deemed appropriate by the Property Tax
13 Administrator, including measures of central tendency and dispersion. The
14 comprehensive assessment ratio studies shall be based upon the sales file
15 as developed in subsection (2) of this section and shall be used by the
16 Property Tax Administrator for the analysis of the level of value and
17 quality of assessment for purposes of section 77-5027 and by the Property
18 Tax Administrator in establishing the adjusted valuations required by
19 section 79-1016. Such studies may also be used by assessing officials in
20 establishing assessed valuations.

21 (4) For purposes of determining the level of value of agricultural
22 and horticultural land subject to special valuation under sections
23 77-1343 to 77-1347.01, the Property Tax Administrator shall annually make
24 and issue a comprehensive study developed in compliance with
25 professionally accepted mass appraisal techniques to establish the level
26 of value if in his or her opinion the level of value cannot be developed
27 through the use of the comprehensive assessment ratio studies developed
28 in subsection (3) of this section.

29 (5) County assessors and other taxing officials shall electronically
30 report data on the assessed valuation and other features of the property
31 assessment process for such periods and in such form and content as the

1 Property Tax Administrator shall deem appropriate. The Property Tax
2 Administrator shall so construct and maintain the system used to collect
3 and analyze the data to enable him or her to make intracounty comparisons
4 of assessed valuation, including school districts and other political
5 subdivisions, as well as intercounty comparisons of assessed valuation,
6 including school districts and other political subdivisions. The Property
7 Tax Administrator shall include analysis of real property sales pursuant
8 to land contracts and similar transfers at the time of execution of the
9 contract or similar transfer.

10 **Sec. 10.** Section 77-1720, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 77-1720 All fees allowed for issuing distress warrants, levy, and
13 return of the warrants, in the cases above provided, shall be twenty two
14 dollars for issuing each warrant, one dollar for levy, and mileage at the
15 rate provided in section 33-117 for county sheriffs for each mile
16 actually and necessarily traveled by such officer on each warrant. When
17 the officer has more than one warrant in his or her hands for service, he
18 or she shall charge only for the mileage actually and necessarily
19 traveled in serving all of the warrants, in which case the mileage so
20 charged shall be prorated among such warrants. Commission shall be
21 allowed in addition on all taxes collected by distress and sale as
22 follows: On all sums not exceeding one hundred dollars, ten cents on each
23 dollar; and on all sums exceeding one hundred dollars, eight cents on
24 each dollar. All fees, mileage, and commissions shall be taxed to the
25 parties against whom the distress warrants run and shall be collected as
26 the original tax. When the taxes are not collected by distress and sale,
27 the mileage shall be paid as provided in section 33-117. When mileage has
28 been paid as provided in section 33-117 and the tax, together with all
29 fees, mileage, and commission are collected, then the amount collected as
30 mileage shall be paid to the county treasurer with the fees and
31 commission and credited by the county treasurer to the general fund of

1 the county. It is the intent of the Legislature to examine the amount of
2 the fees provided in this section at least once every five years
3 beginning in 2030 in order to determine whether such fees should be
4 adjusted.

5 **Sec. 11.** Section 77-1804, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 77-1804 (1) The county treasurer shall cause the list of real
8 property subject to sale and accompanying notice to be published once a
9 week for three consecutive weeks prior to the date of sale, commencing
10 the first week in February, in a legal newspaper and, in counties having
11 more than two hundred fifty thousand inhabitants, in a daily legal
12 newspaper of general circulation, published in the English language in
13 the county, and designated by the county board. The county treasurer
14 shall also cause to be posted in some conspicuous place in his or her
15 office a copy of such notice. The treasurer shall assess against each
16 description the sum of twenty five dollars to defray the expenses of
17 advertising, which sum shall be added to the total amount due on such
18 real property and be collected in the same manner as taxes are collected.

19 (2) The county treasurer shall also forward an electronic copy of
20 the list of real property subject to sale to the Property Tax
21 Administrator who shall compile a list for all counties and publish the
22 compiled list on the website of the Department of Revenue.

23 (3) It is the intent of the Legislature to examine the twenty-dollar
24 fee provided in subsection (1) of this section at least once every five
25 years beginning in 2030 in order to determine whether such fee should be
26 adjusted.

27 **Sec. 12.** Section 77-2005, Revised Statutes Cumulative Supplement,
28 2024, is amended to read:

29 77-2005 (1) In the case of an uncle, aunt, niece, or nephew related
30 to the deceased by blood or legal adoption, or other lineal descendant of
31 the same, or the spouse or surviving spouse of any of such persons, the

1 rate of tax shall be:

2 (a) For decedents dying prior to January 1, 2023, thirteen percent
3 of the clear market value of the property received by each person in
4 excess of fifteen thousand dollars; ~~and~~

5 (b) For decedents dying on or after January 1, 2023, and prior to
6 July 1, 2025, eleven percent of the clear market value of the property
7 received by each person in excess of forty thousand dollars; ~~and -~~

8 (c) For decedents dying on or after July 1, 2025, one percent of the
9 clear market value of the property received by each person in excess of
10 one hundred thousand dollars.

11 (2) If the clear market value of the beneficial interest is less
12 than or equal to the applicable exempt amount under subsection (1) of
13 this section, it shall not be subject to tax. In addition, any interest
14 passing to a person described in subsection (1) of this section who is
15 under twenty-two years of age shall not be subject to tax.

16 **Sec. 13.** Section 77-2006, Revised Statutes Cumulative Supplement,
17 2024, is amended to read:

18 77-2006 (1) In all other cases the rate of tax shall be:

19 (a) For decedents dying prior to January 1, 2023, eighteen percent
20 of the clear market value of the beneficial interests received by each
21 person in excess of ten thousand dollars; ~~and~~

22 (b) For decedents dying on or after January 1, 2023, and prior to
23 July 1, 2025, fifteen percent of the clear market value of the beneficial
24 interests received by each person in excess of twenty-five thousand
25 dollars; ~~and -~~

26 (c) For decedents dying on or after July 1, 2025, one percent of the
27 clear market value of the beneficial interests received by each person in
28 excess of one hundred thousand dollars.

29 (2) If the clear market value of the beneficial interest is less
30 than or equal to the applicable exempt amount under subsection (1) of
31 this section, it shall not be subject to any tax. In addition, any

1 interest passing to a person who is under twenty-two years of age shall
2 not be subject to tax.

3 **Sec. 14.** Section 77-6203, Revised Statutes Cumulative Supplement,
4 2024, is amended to read:

5 77-6203 (1) The owner of a renewable energy generation facility
6 annually shall pay a nameplate capacity tax equal to the total nameplate
7 capacity of the commissioned renewable energy generation facility
8 multiplied by a tax rate of six thousand five hundred sixty three
9 ~~thousand five hundred eighteen~~ dollars per megawatt. On January 1, 2027,
10 and on each January 1 thereafter, the Department of Revenue shall adjust
11 the tax rate by the average annual percentage change in the total amount
12 of property taxes levied statewide over the most recent ten-year period
13 for which such information is available. If the adjusted tax rate is not
14 a whole dollar amount, it shall be rounded to the nearest whole dollar
15 amount.

16 (2) No tax shall be imposed on a renewable energy generation
17 facility:

18 (a) Owned or operated by the federal government, the State of
19 Nebraska, a public power district, a public power and irrigation
20 district, an individual municipality, a registered group of
21 municipalities, an electric membership association, or a cooperative; or

22 (b) That is a customer-generator as defined in section 70-2002.

23 (3) No tax levied pursuant to this section shall be construed to
24 constitute restricted funds as defined in section 13-518 for the first
25 five years after the renewable energy generation facility is
26 commissioned.

27 (4) The presence of one or more renewable energy generation
28 facilities or supporting infrastructure shall not be a factor in the
29 assessment, determination of actual value, or classification under
30 section 77-201 of the real property underlying or adjacent to such
31 facilities or infrastructure.

1 (5)(a) The Department of Revenue shall collect the tax due under
2 this section.

3 (b) The tax shall be imposed beginning the first calendar year the
4 renewable energy generation facility is commissioned. A renewable energy
5 generation facility that uses wind as the fuel source which was
6 commissioned prior to July 15, 2010, shall be subject to the tax levied
7 pursuant to sections 77-6201 to 77-6204 on and after January 1, 2010. The
8 amount of property tax on depreciable tangible personal property
9 previously paid on a renewable energy generation facility that uses wind
10 as the fuel source which was commissioned prior to July 15, 2010, which
11 is greater than the amount that would have been paid pursuant to sections
12 77-6201 to 77-6204 from the date of commissioning until January 1, 2010,
13 shall be credited against any tax due under Chapter 77, and any amount so
14 credited that is unused in any tax year shall be carried over to
15 subsequent tax years until fully utilized.

16 (c)(i) The tax for the first calendar year shall be prorated based
17 upon the number of days remaining in the calendar year after the
18 renewable energy generation facility is commissioned.

19 (ii) In the first year in which a renewable energy generation
20 facility is taxed or in any year in which additional commissioned
21 nameplate capacity is added to a renewable energy generation facility,
22 the taxes on the initial or additional nameplate capacity shall be
23 prorated for the number of days remaining in the calendar year.

24 (iii) When a renewable energy generation facility is decommissioned
25 or made nonoperational by a change in law during a tax year, the taxes
26 shall be prorated for the number of days during which the renewable
27 energy generation facility was not decommissioned or was operational.

28 (iv) When the capacity of a renewable energy generation facility to
29 produce electricity is reduced but the renewable energy generation
30 facility is not decommissioned, the nameplate capacity of the renewable
31 energy generation facility is deemed to be unchanged.

1 (6)(a) On March 1 of each year, the owner of a renewable energy
2 generation facility shall file with the Department of Revenue a report on
3 the nameplate capacity of the facility for the previous year from January
4 1 through December 31. All taxes shall be due on April 1 and shall be
5 delinquent if not paid on a quarterly basis on April 1 and each quarter
6 thereafter. Delinquent quarterly payments shall draw interest at the rate
7 provided for in section 45-104.02, as such rate may from time to time be
8 adjusted.

9 (b) The owner of a renewable energy generation facility is liable
10 for the taxes under this section with respect to the facility, whether or
11 not the owner of the facility is the owner of the land on which the
12 facility is situated.

13 (7) Failure to file a report required by subsection (6) of this
14 section, filing such report late, failure to pay taxes due, or
15 underpayment of such taxes shall result in a penalty of five percent of
16 the amount due being imposed for each quarter the report is overdue or
17 the payment is delinquent, except that the penalty shall not exceed ten
18 thousand dollars.

19 (8) The Department of Revenue shall enforce the provisions of this
20 section. The department may adopt and promulgate rules and regulations
21 necessary for the implementation and enforcement of this section.

22 (9) The Department of Revenue shall separately identify the proceeds
23 from the tax imposed by this section and shall pay all such proceeds over
24 to the county treasurer of the county where the renewable energy
25 generation facility is located within thirty days after receipt of such
26 proceeds.

27 **Sec. 15.** Section 77-6815, Revised Statutes Cumulative Supplement,
28 2024, is amended to read:

29 77-6815 (1) Number of new employees, for purposes of subdivisions
30 (1)(b), (4)(d), (5)(c), and (8)(b)(ii) ~~(8)(b)(iii)~~ of section 77-6831,
31 means the lesser of:

1 (a) The number of equivalent employees that are employed at the
2 qualified location or locations during a year that are in excess of the
3 number of equivalent employees during the base year; or

4 (b) The sum of:

5 (i) The number of equivalent employees employed full-time at the
6 qualified location or locations during a year who are not base-year
7 employees, who meet the health coverage requirement of subsection (7) of
8 this section, and who are paid compensation at a rate equal to at least
9 one hundred fifty percent of the Nebraska statewide average hourly wage
10 for the year of application; and

11 (ii) The number of equivalent employees who were not employed full-
12 time at the qualified location during the base year and became employed
13 full-time at the qualified location after the base year, after
14 subtracting the hours worked by such employees in the base year, who meet
15 the health coverage requirement of subsection (7) of this section, and
16 who are paid compensation at a rate equal to at least one hundred fifty
17 percent of the Nebraska statewide average hourly wage for the year of
18 application.

19 (2) Number of new employees, for purposes of subdivisions (4)(a)(i)
20 and (5)(a)(i) of section 77-6831, means the lesser of:

21 (a) The number of equivalent employees that are employed at the
22 qualified location or locations during a year that are in excess of the
23 number of equivalent employees during the base year; or

24 (b) The sum of:

25 (i) The number of equivalent employees employed full-time at the
26 qualified location or locations during a year who are not base-year
27 employees, who meet the health coverage requirement of subsection (7) of
28 this section, and who are paid compensation at a rate equal to at least
29 ninety percent of the Nebraska statewide average hourly wage for the year
30 of application; and

31 (ii) The number of equivalent employees who were not employed full-

1 time at the qualified location during the base year and became employed
2 full-time at the qualified location after the base year, after
3 subtracting the hours worked by such employees in the base year, who meet
4 the health coverage requirement of subsection (7) of this section, and
5 who are paid compensation at a rate equal to at least ninety percent of
6 the Nebraska statewide average hourly wage for the year of application.

7 (3) Number of new employees, for purposes of subdivisions (4)(a)(ii)
8 and (5)(a)(ii) of section 77-6831, means the lesser of:

9 (a) The number of equivalent employees that are employed at the
10 qualified location or locations during a year that are in excess of the
11 number of equivalent employees during the base year; or

12 (b) The sum of:

13 (i) The number of equivalent employees employed full-time at the
14 qualified location or locations during a year who are not base-year
15 employees, who meet the health coverage requirement of subsection (7) of
16 this section, and who are paid compensation at a rate equal to at least
17 seventy-five percent of the Nebraska statewide average hourly wage for
18 the year of application; and

19 (ii) The number of equivalent employees who were not employed full-
20 time at the qualified location during the base year and became employed
21 full-time at the qualified location after the base year, after
22 subtracting the hours worked by such employees in the base year, who meet
23 the health coverage requirement of subsection (7) of this section, and
24 who are paid compensation at a rate equal to at least seventy-five
25 percent of the Nebraska statewide average hourly wage for the year of
26 application.

27 (4) Number of new employees, for purposes of subdivisions (4)(a)
28 (iii), (4)(e), (5)(a)(iii), and (5)(d) of section 77-6831, means the
29 lesser of:

30 (a) The number of equivalent employees that are employed at the
31 qualified location or locations during a year that are in excess of the

1 number of equivalent employees during the base year; or

2 (b) The sum of:

3 (i) The number of equivalent employees employed full-time at the
4 qualified location or locations during a year who are not base-year
5 employees, who meet the health coverage requirement of subsection (7) of
6 this section, and who are paid compensation at a rate equal to at least
7 seventy percent of the Nebraska statewide average hourly wage for the
8 year of application; and

9 (ii) The number of equivalent employees who were not employed full-
10 time at the qualified location during the base year and became employed
11 full-time at the qualified location after the base year, after
12 subtracting the hours worked by such employees in the base year, who meet
13 the health coverage requirement of subsection (7) of this section, and
14 who are paid compensation at a rate equal to at least seventy percent of
15 the Nebraska statewide average hourly wage for the year of application.

16 (5) Number of new employees, for all other purposes, except as
17 otherwise provided in the ImagiNE Nebraska Act, means the lesser of:

18 (a) The number of equivalent employees that are employed at the
19 qualified location or locations during a year that are in excess of the
20 number of equivalent employees during the base year; or

21 (b) The sum of:

22 (i) The number of equivalent employees employed full-time at the
23 qualified location or locations during a year who are not base-year
24 employees, who meet the health coverage requirement of subsection (7) of
25 this section, and who are paid compensation at a rate equal to at least
26 the Nebraska statewide average hourly wage for the year of application;
27 and

28 (ii) The number of equivalent employees who were not employed full-
29 time at the qualified location during the base year and became employed
30 full-time at the qualified location after the base year, after
31 subtracting the hours worked by such employees in the base year, who meet

1 the health coverage requirement of subsection (7) of this section, and
2 who are paid compensation at a rate equal to at least the Nebraska
3 statewide average hourly wage for the year of application.

4 (6) For employees who work both at a qualified location and also
5 perform services for the taxpayer at other nonqualified locations, they
6 will be included in determining the number of new employees if more than
7 fifty percent of the time for which they are compensated is spent at the
8 qualified location. For any year other than the base year, employees who
9 work at the qualified location fifty percent or less of the time for
10 which they are compensated are not considered employed at the qualified
11 location. For employees who work both at a qualified location and also
12 perform services for the taxpayer at the employee's Nebraska residence,
13 the time for which an employee is compensated for services performed at
14 the employee's Nebraska residence will be considered spent at the
15 qualified location.

16 (7) An employee meets the health coverage requirement if the
17 taxpayer offers to that employee, for that year, the opportunity to
18 enroll in minimum essential coverage under an eligible employer-sponsored
19 plan, as those terms are defined and described in section 5000A of the
20 Internal Revenue Code of 1986, as amended, and the regulations for such
21 section.

22 (8) For purposes of this section, employed full-time means that the
23 employee is a full-time employee as defined and described in section
24 4980H of the Internal Revenue Code of 1986, as amended, and the
25 regulations for such section.

26 **Sec. 16.** Section 77-6831, Revised Statutes Cumulative Supplement,
27 2024, is amended to read:

28 77-6831 (1) A taxpayer shall be entitled to the sales and use tax
29 incentives contained in subsection (2) of this section if the taxpayer:

30 (a) Attains a cumulative investment in qualified property of at
31 least five million dollars and hires at least thirty new employees at the

1 qualified location or locations before the end of the ramp-up period; or

2 (b) Attains a cumulative investment in qualified property of at
3 least two hundred fifty million dollars and hires at least two hundred
4 fifty new employees at the qualified location or locations before the end
5 of the ramp-up period. ~~;~~ ~~or~~

6 ~~(c) Attains a cumulative investment in qualified property of at~~
7 ~~least fifty million dollars at the qualified location or locations before~~
8 ~~the end of the ramp-up period. To receive incentives under this~~
9 ~~subdivision, the taxpayer must meet the following conditions:~~

10 ~~(i) The average compensation of the taxpayer's employees at the~~
11 ~~qualified location or locations for each year of the performance period~~
12 ~~must equal at least one hundred fifty percent of the Nebraska statewide~~
13 ~~average hourly wage for the year of application;~~

14 ~~(ii) The taxpayer must offer to its employees who constitute full-~~
15 ~~time employees as defined and described in section 4980H of the Internal~~
16 ~~Revenue Code of 1986, as amended, and the regulations for such section,~~
17 ~~at the qualified location or locations for each year of the performance~~
18 ~~period, the opportunity to enroll in minimum essential coverage under an~~
19 ~~eligible employer-sponsored plan, as those terms are defined and~~
20 ~~described in section 5000A of the Internal Revenue Code of 1986, as~~
21 ~~amended, and the regulations for such section; and~~

22 ~~(iii) The taxpayer must offer a sufficient package of benefits as~~
23 ~~described in subdivision (1)(j) of section 77-6828.~~

24 (2) A taxpayer meeting the requirements of subsection (1) of this
25 section shall be entitled to the following sales and use tax incentives:

26 (a) A refund of all sales and use taxes paid under the Local Option
27 Revenue Act, the Nebraska Revenue Act of 1967, the Qualified Judgment
28 Payment Act, and sections 13-319, 13-324, and 13-2813 from the date of
29 the complete application through the meeting of the required levels of
30 employment and investment for all purchases, including rentals, of:

31 (i) Qualified property used at the qualified location or locations;

1 (ii) Property, excluding motor vehicles, based in this state and
2 used in both this state and another state in connection with the
3 qualified location or locations except when any such property is to be
4 used for fundraising for or for the transportation of an elected
5 official;

6 (iii) Tangible personal property by a contractor or repairperson
7 after appointment as a purchasing agent of the owner of the improvement
8 to real estate when such property is incorporated into real estate at the
9 qualified location or locations. The refund shall be based on fifty
10 percent of the contract price, excluding any land, as the cost of
11 materials subject to the sales and use tax;

12 (iv) Tangible personal property by a contractor or repairperson
13 after appointment as a purchasing agent of the taxpayer when such
14 property is annexed to, but not incorporated into, real estate at the
15 qualified location or locations. The refund shall be based on the cost of
16 materials subject to the sales and use tax that were annexed to real
17 estate; and

18 (v) Tangible personal property by a contractor or repairperson after
19 appointment as a purchasing agent of the taxpayer when such property is
20 both (A) incorporated into real estate at the qualified location or
21 locations and (B) annexed to, but not incorporated into, real estate at
22 the qualified location or locations. The refund shall be based on fifty
23 percent of the contract price, excluding any land, as the cost of
24 materials subject to the sales and use tax; and

25 (b) An exemption from all sales and use taxes under the Local Option
26 Revenue Act, the Nebraska Revenue Act of 1967, the Qualified Judgment
27 Payment Act, and sections 13-319, 13-324, and 13-2813 on the types of
28 purchases, including rentals, listed in subdivision (a) of this
29 subsection for such purchases, including rentals, occurring during each
30 year of the performance period in which the taxpayer is at or above the
31 required levels of employment and investment, except that the exemption

1 shall be for the actual materials purchased with respect to subdivisions
2 (2)(a)(iii), (iv), and (v) of this section. The Tax Commissioner shall
3 issue such rules, regulations, certificates, and forms as are appropriate
4 to implement the efficient use of this exemption.

5 (3)(a) Upon execution of the agreement, the taxpayer shall be issued
6 a direct payment permit under section 77-2705.01, notwithstanding the
7 three million dollars in purchases limitation in subsection (1) of
8 section 77-2705.01, for each qualified location specified in the
9 agreement, unless the taxpayer has opted out of this requirement in the
10 agreement. For any taxpayer who is issued a direct payment permit, until
11 such taxpayer makes the investment in qualified property and hires the
12 new employees at the qualified location or locations as specified in
13 subsection (1) of this section, the taxpayer must pay and remit any
14 applicable sales and use taxes as required by the Tax Commissioner.

15 (b) If the taxpayer makes the investment in qualified property and
16 hires the new employees at the qualified location or locations as
17 specified in subsection (1) of this section, the taxpayer shall receive
18 the sales tax refunds described in subdivision (2)(a) of this section.
19 For any year in which the taxpayer is not at the required levels of
20 employment and investment, the taxpayer shall report all sales and use
21 taxes owed for the period on the taxpayer's tax return.

22 (4) The taxpayer shall be entitled to one of the following credits
23 for payment of wages to new employees:

24 (a)(i) If a taxpayer attains a cumulative investment in qualified
25 property of at least one million dollars and hires at least ten new
26 employees at the qualified location or locations before the end of the
27 ramp-up period, the taxpayer shall be entitled to a credit equal to four
28 percent times the average wage of new employees times the number of new
29 employees. Wages in excess of one million dollars paid to any one
30 employee during the year shall be excluded from the calculations under
31 this subdivision;

1 (ii) If the taxpayer attains a cumulative investment in qualified
2 property of at least one million dollars and hires at least ten new
3 employees at the qualified location or locations before the end of the
4 ramp-up period and the number of new employees and investment are at a
5 qualified location in a county in Nebraska with a population of one
6 hundred thousand or greater, and at which the majority of the business
7 activities conducted are described in subdivision (1)(a) or (1)(n) of
8 section 77-6818, the taxpayer shall be entitled to a credit equal to four
9 percent times the average wage of new employees times the number of new
10 employees. Wages in excess of one million dollars paid to any one
11 employee during the year shall be excluded from the calculations under
12 this subdivision; or

13 (iii) If the taxpayer attains a cumulative investment in qualified
14 property of at least one million dollars and hires at least ten new
15 employees at the qualified location or locations before the end of the
16 ramp-up period and the number of new employees and investment are at a
17 qualified location or locations within one or more counties in Nebraska
18 that each have a population of less than one hundred thousand, and at
19 which the majority of the business activities conducted are described in
20 subdivision (1)(a) or (1)(n) of section 77-6818, the taxpayer shall be
21 entitled to a credit equal to six percent times the average wage of new
22 employees times the number of new employees. For purposes of meeting the
23 ten-employee requirement of this subdivision, the number of new employees
24 shall be multiplied by two. Wages in excess of one million dollars paid
25 to any one employee during the year shall be excluded from the
26 calculations under this subdivision;

27 (b) If a taxpayer hires at least twenty new employees at the
28 qualified location or locations before the end of the ramp-up period, the
29 taxpayer shall be entitled to a credit equal to five percent times the
30 average wage of new employees times the number of new employees if the
31 average wage of the new employees equals at least one hundred percent of

1 the Nebraska statewide average hourly wage for the year of application.
2 The credit shall equal seven percent times the average wage of new
3 employees times the number of new employees if the average wage of the
4 new employees equals at least one hundred fifty percent of the Nebraska
5 statewide average hourly wage for the year of application. The credit
6 shall equal nine percent times the average wage of new employees times
7 the number of new employees if the average wage of the new employees
8 equals at least two hundred percent of the Nebraska statewide average
9 hourly wage for the year of application. Wages in excess of one million
10 dollars paid to any one employee during the year shall be excluded from
11 the calculations under this subdivision;

12 (c) If a taxpayer attains a cumulative investment in qualified
13 property of at least five million dollars and hires at least thirty new
14 employees at the qualified location or locations before the end of the
15 ramp-up period, the taxpayer shall be entitled to a credit equal to five
16 percent times the average wage of new employees times the number of new
17 employees if the average wage of the new employees equals at least one
18 hundred percent of the Nebraska statewide average hourly wage for the
19 year of application. The credit shall equal seven percent times the
20 average wage of new employees times the number of new employees if the
21 average wage of the new employees equals at least one hundred fifty
22 percent of the Nebraska statewide average hourly wage for the year of
23 application. The credit shall equal nine percent times the average wage
24 of new employees times the number of new employees if the average wage of
25 the new employees equals at least two hundred percent of the Nebraska
26 statewide average hourly wage for the year of application. Wages in
27 excess of one million dollars paid to any one employee during the year
28 shall be excluded from the calculations under this subdivision;

29 (d) If a taxpayer attains a cumulative investment in qualified
30 property of at least two hundred fifty million dollars and hires at least
31 two hundred fifty new employees at the qualified location or locations

1 before the end of the ramp-up period, the taxpayer shall be entitled to a
2 credit equal to seven percent times the average wage of new employees
3 times the number of new employees if the average wage of the new
4 employees equals at least one hundred fifty percent of the Nebraska
5 statewide average hourly wage for the year of application. The credit
6 shall equal nine percent times the average wage of new employees times
7 the number of new employees if the average wage of the new employees
8 equals at least two hundred percent of the Nebraska statewide average
9 hourly wage for the year of application. Wages in excess of one million
10 dollars paid to any one employee during the year shall be excluded from
11 the calculations under this subdivision; or

12 (e) If a taxpayer attains a cumulative investment in qualified
13 property of at least two hundred fifty thousand dollars but less than one
14 million dollars and hires at least five new employees at the qualified
15 location or locations before the end of the ramp-up period and the number
16 of new employees and investment are at a qualified location within an
17 economic redevelopment area, the taxpayer shall be entitled to a credit
18 equal to six percent times the average wage of new employees times the
19 number of new employees if the average wage of the new employees equals
20 at least seventy percent of the Nebraska statewide average hourly wage
21 for the year of application. Wages in excess of one million dollars paid
22 to any one employee during the year shall be excluded from the
23 calculations under this subdivision. For purposes of this subdivision,
24 economic redevelopment area means an area in which (i) the average rate
25 of unemployment in the area during the period covered by the most recent
26 federal decennial census or American Community Survey 5-Year Estimate is
27 at least one hundred fifty percent of the average rate of unemployment in
28 the state during the same period and (ii) the average poverty rate in the
29 area exceeds twenty percent for the total federal census tract or tracts
30 or federal census block group or block groups in the area.

31 (5) The taxpayer shall be entitled to one of the following credits

1 for new investment:

2 (a)(i) If a taxpayer attains a cumulative investment in qualified
3 property of at least one million dollars and hires at least ten new
4 employees at the qualified location or locations before the end of the
5 ramp-up period, the taxpayer shall be entitled to a credit equal to four
6 percent of the investment made in qualified property at the qualified
7 location or locations;

8 (ii) If the taxpayer attains a cumulative investment in qualified
9 property of at least one million dollars and hires at least ten new
10 employees at the qualified location or locations before the end of the
11 ramp-up period and the number of new employees and investment are at a
12 qualified location in a county in Nebraska with a population of one
13 hundred thousand or greater, and at which the majority of the business
14 activities conducted are described in subdivision (1)(a) or (1)(n) of
15 section 77-6818, the taxpayer shall be entitled to a credit equal to four
16 percent of the investment made in qualified property at the qualified
17 location or locations unless the cumulative investment exceeds ten
18 million dollars, in which case the taxpayer shall be entitled to a credit
19 equal to seven percent of the investment made in qualified property at
20 the qualified location or locations; or

21 (iii) If the taxpayer attains a cumulative investment in qualified
22 property of at least one million dollars and hires at least ten new
23 employees at the qualified location or locations before the end of the
24 ramp-up period and the number of new employees and investment are at a
25 qualified location or locations within one or more counties in Nebraska
26 that each have a population of less than one hundred thousand, and at
27 which the majority of the business activities conducted are described in
28 subdivision (1)(a) or (1)(n) of section 77-6818, the taxpayer shall be
29 entitled to a credit equal to four percent of the investment made in
30 qualified property at the qualified location or locations unless the
31 cumulative investment exceeds ten million dollars, in which case the

1 taxpayer shall be entitled to a credit equal to seven percent of the
2 investment made in qualified property at the qualified location or
3 locations. For purposes of meeting the ten-employee requirement of this
4 subdivision, the number of new employees shall be multiplied by two;

5 (b) If a taxpayer attains a cumulative investment in qualified
6 property of at least five million dollars and hires at least thirty new
7 employees at the qualified location or locations before the end of the
8 ramp-up period, the taxpayer shall be entitled to a credit equal to seven
9 percent of the investment made in qualified property at the qualified
10 location or locations;

11 (c) If a taxpayer attains a cumulative investment in qualified
12 property of at least two hundred fifty million dollars and hires at least
13 two hundred fifty new employees at the qualified location or locations
14 before the end of the ramp-up period, the taxpayer shall be entitled to a
15 credit equal to seven percent of the investment made in qualified
16 property at the qualified location or locations; or

17 (d) If a taxpayer attains a cumulative investment in qualified
18 property of at least two hundred fifty thousand dollars but less than one
19 million dollars and hires at least five new employees at the qualified
20 location or locations before the end of the ramp-up period and the number
21 of new employees and investment are at a qualified location within an
22 economic redevelopment area, the taxpayer shall be entitled to a credit
23 equal to four percent of the investment made in qualified property at the
24 qualified location or locations. For purposes of this subdivision,
25 economic redevelopment area means an area in which (i) the average rate
26 of unemployment in the area during the period covered by the most recent
27 federal decennial census or American Community Survey 5-Year Estimate is
28 at least one hundred fifty percent of the average rate of unemployment in
29 the state during the same period and (ii) the average poverty rate in the
30 area exceeds twenty percent for the total federal census tract or tracts
31 or federal census block group or block groups in the area.

1 (6)(a) The credit percentages prescribed in subdivisions (4)(a),
2 (b), (c), and (d) and subdivisions (5)(a), (b), and (c) of this section
3 shall be increased by one percentage point for wages paid and investments
4 made at qualified locations in an extremely blighted area. For purposes
5 of this subdivision, extremely blighted area means an area which, before
6 the end of the ramp-up period, has been declared an extremely blighted
7 area under section 18-2101.02.

8 (b) The credit percentages prescribed in subsections (4) and (5) of
9 this section shall be increased by one percentage point if the taxpayer:

10 (i) Is a benefit corporation as defined in section 21-403 and has
11 been such a corporation for at least one year prior to submitting an
12 application under the Imagine Nebraska Act; and

13 (ii) Remains a benefit corporation as defined in section 21-403 for
14 the duration of the taxpayer's agreement under the Imagine Nebraska Act.

15 (c) A taxpayer may, if qualified, receive one or both of the
16 increases provided in this subsection.

17 (7)(a) The credits prescribed in subsections (4) and (5) of this
18 section shall be allowable for wages paid and investments made during
19 each year of the performance period that the taxpayer is at or above the
20 required levels of employment and investment.

21 (b) The credits prescribed in subsection (5) of this section shall
22 also be allowable during the first year of the performance period for
23 investment in qualified property at the qualified location or locations
24 after the date of the complete application and before the beginning of
25 the performance period.

26 (8)(a) Property described in subdivision (8)(c) of this section used
27 at the qualified location or locations, whether purchased or leased, and
28 placed in service by the taxpayer after the date of the complete
29 application, shall constitute separate classes of property and are
30 eligible for exemption under the conditions and for the time periods
31 provided in subdivision (8)(b) of this section.

1 (b) A taxpayer shall receive the exemption of property in
2 subdivision (8)(c) of this section if the taxpayer attains one of the
3 following employment and investment levels: (i) Cumulative investment in
4 qualified property of at least five million dollars and the hiring of at
5 least thirty new employees at the qualified location or locations before
6 the end of the ramp-up period; ~~or (ii) cumulative investment in qualified~~
7 ~~property of at least fifty million dollars at the qualified location or~~
8 ~~locations before the end of the ramp up period, provided the average~~
9 ~~compensation of the taxpayer's employees at the qualified location or~~
10 ~~locations for the year in which such investment level was attained equals~~
11 ~~at least one hundred fifty percent of the Nebraska statewide average~~
12 ~~hourly wage for the year of application and the taxpayer offers to its~~
13 ~~employees who constitute full-time employees as defined and described in~~
14 ~~section 4980H of the Internal Revenue Code of 1986, as amended, and the~~
15 ~~regulations for such section, at the qualified location or locations for~~
16 ~~the year in which such investment level was attained, the opportunity to~~
17 ~~enroll in minimum essential coverage under an eligible employer sponsored~~
18 ~~plan, as those terms are defined and described in section 5000A of the~~
19 ~~Internal Revenue Code of 1986, as amended, and the regulations for such~~
20 ~~section; or (iii) cumulative investment in qualified property of at least~~
21 two hundred fifty million dollars and the hiring of at least two hundred
22 fifty new employees at the qualified location or locations before the end
23 of the ramp-up period. Such property shall be eligible for the exemption
24 from the first January 1 following the end of the year during which the
25 required levels were exceeded through the ninth December 31 after the
26 first year property included in subdivision (8)(c) of this section
27 qualifies for the exemption, except that for a taxpayer who has filed an
28 application under NAICS code 518210 for Data Processing, Hosting, and
29 Related Services and who files a separate sequential application for the
30 same NAICS code for which the ramp-up period begins with the year
31 immediately after the end of the previous project's performance period or

1 a taxpayer who has a project qualifying under subdivision (1)(b)(ii) of
2 section 77-5725 and who files a separate sequential application for NAICS
3 code 518210 for Data Processing, Hosting, and Related Services for which
4 the ramp-up period begins with the year immediately after the end of the
5 previous project's entitlement period, such property described in
6 subdivision (8)(c)(i) of this section shall be eligible for the exemption
7 from the first January 1 following the placement in service of such
8 property through the ninth December 31 after the year the first claim for
9 exemption is approved.

10 (c) The following personal property used at the qualified location
11 or locations, whether purchased or leased, and placed in service by the
12 taxpayer after the date of the complete application shall constitute
13 separate classes of personal property:

14 (i) All personal property that constitutes a data center if the
15 taxpayer qualifies under subdivision (8)(b)(i) ~~or (8)(b)(ii)~~ of this
16 section;

17 (ii) Business equipment that is located at a qualified location or
18 locations and that is involved directly in the manufacture or processing
19 of agricultural products, including business equipment used primarily for
20 the capture and compression of carbon dioxide, the manufacturing of
21 liquid fertilizer or any other chemical applied to agricultural crops, or
22 the manufacturing of any liquid additive for a farm vehicle fuel if the
23 taxpayer qualifies under subdivision (8)(b)(i) ~~or (8)(b)(ii)~~ of this
24 section; or

25 (iii) All personal property if the taxpayer qualifies under
26 subdivision (8)(b)(ii) ~~(8)(b)(iii)~~ of this section.

27 (d) In order to receive the property tax exemptions allowed by
28 subdivision (8)(c) of this section, the taxpayer shall annually file a
29 claim for exemption with the Tax Commissioner on or before May 1. The
30 form and supporting schedules shall be prescribed by the Tax Commissioner
31 and shall list all property for which exemption is being sought under

1 this section. A separate claim for exemption must be filed for each
2 agreement and each county in which property is claimed to be exempt. A
3 copy of this form must also be filed with the county assessor in each
4 county in which the applicant is requesting exemption. The Tax
5 Commissioner shall determine whether a taxpayer is eligible to obtain
6 exemption for personal property based on the criteria for exemption and
7 the eligibility of each item listed for exemption and, on or before
8 August 1, certify such determination to the taxpayer and to the affected
9 county assessor.

10 (9) The taxpayer shall, on or before the receipt or use of any
11 incentives under this section, pay to the director a fee of one-half
12 percent of such incentives, except for the exemption on personal
13 property, for administering the Imagine Nebraska Act, except that the fee
14 on any sales tax exemption may be paid by the taxpayer with the filing of
15 its sales and use tax return. Such fee may be paid by direct payment to
16 the director or through withholding of available refunds. A credit shall
17 be allowed against such fee for the amount of the fee paid with the
18 application. All fees collected under this subsection shall be remitted
19 to the State Treasurer for credit to the Imagine Nebraska Cash Fund,
20 which fund is hereby created. The fund shall consist of fees credited
21 under this subsection and any other money appropriated to the fund by the
22 Legislature. The fund shall be administered by the Department of Economic
23 Development and shall be used for administration of the Imagine Nebraska
24 Act. Any money in the fund available for investment shall be invested by
25 the state investment officer pursuant to the Nebraska Capital Expansion
26 Act and the Nebraska State Funds Investment Act.

27 **Sec. 17.** Section 77-6833, Revised Statutes Cumulative Supplement,
28 2024, is amended to read:

29 77-6833 (1) If the taxpayer fails to maintain employment and
30 investment levels at or above the levels required in the agreement for
31 the entire performance period, all or a portion of the incentives set

1 forth in the Imagine Nebraska Act shall be recaptured or disallowed. For
2 purposes of this section, the average compensation and health coverage
3 requirements of subdivision (1)(c) of section 77-6831 shall be treated as
4 a required level of employment for each year of the performance period.

5 (2) In the case of a taxpayer who has failed to maintain the
6 required levels of employment or investment for the entire performance
7 period, any reduction in the personal property tax, any refunds in tax or
8 exemptions from tax allowed under section 77-6831, and any refunds or
9 reduction in tax allowed because of the use of a credit allowed under
10 section 77-6831 shall be partially recaptured from either the taxpayer,
11 the owner of the improvement to real estate, or the qualified employee
12 leasing company, and any carryovers of credits shall be partially
13 disallowed. The amount of the recapture for each benefit shall be a
14 percentage equal to the number of years the taxpayer did not maintain the
15 required levels of investment or employment divided by the number of
16 years of the performance period multiplied by the refunds, exemptions, or
17 reductions in tax allowed, reduction in personal property tax, credits
18 used, and the remaining carryovers. In addition, the last remaining year
19 of personal property tax exemption shall be disallowed for each year the
20 taxpayer did not maintain the qualified location or locations at or above
21 the required levels of employment or investment.

22 (3) If the taxpayer receives any refund, exemption, or reduction in
23 tax to which the taxpayer was not entitled or which was in excess of the
24 amount to which the taxpayer was entitled, the refund, exemption, or
25 reduction in tax shall be recaptured separate from any other recapture
26 otherwise required by this section. Any amount recaptured under this
27 subsection shall be excluded from the amounts subject to recapture under
28 other subsections of this section.

29 (4) Any refunds, exemptions, or reduction in tax due, to the extent
30 required to be recaptured, shall be deemed to be an underpayment of the
31 tax and shall be immediately due and payable. When tax benefits were

1 received in more than one year, the tax benefits received in the most
2 recent year shall be recovered first and then the benefits received in
3 earlier years up to the extent of the required recapture.

4 (5)(a) Any personal property tax that would have been due except for
5 the exemption allowed under the Imagine Nebraska Act, to the extent it
6 becomes due under this section, shall be considered delinquent and shall
7 be immediately due and payable to the county or counties in which the
8 property was located when exempted.

9 (b) All amounts received by a county under this section shall be
10 allocated to each taxing unit levying taxes on tangible personal property
11 in the county in the same proportion that the levy on tangible personal
12 property of such taxing unit bears to the total levy of all of such
13 taxing units.

14 (6) Notwithstanding any other limitations contained in the laws of
15 this state, collection of any taxes deemed to be underpayments by this
16 section shall be allowed for a period of three years after the end of the
17 performance period or three calendar years after the benefit was allowed,
18 whichever is later.

19 (7) Any amounts due under this section shall be recaptured
20 notwithstanding other allowable credits and shall not be subsequently
21 refunded under any provision of the Imagine Nebraska Act unless the
22 recapture was in error.

23 (8) The recapture required by this section shall not occur if the
24 failure to maintain the required levels of employment or investment was
25 caused by an act of God or a national emergency.

26 **Sec. 18.** Section 81-12,146, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 81-12,146 (1) The Site and Building Development Fund is created. The
29 fund ~~shall receive money pursuant to section 76-903 and~~ may include
30 revenue from transfers by the Legislature, grants, private contributions,
31 repayment of loans, and all other sources. The Department of Economic

1 Development, as part of its comprehensive business development strategy,
2 shall administer the fund. Transfers may be made from the fund to the
3 General Fund at the direction of the Legislature. Any money in the Site
4 and Building Development Fund available for investment shall be invested
5 by the state investment officer pursuant to the Nebraska Capital
6 Expansion Act and the Nebraska State Funds Investment Act.

7 (2) It is the intent of the Legislature to transfer five million
8 dollars from the General Fund to the Site and Building Development Fund
9 for fiscal year 2022-23 and five million dollars from the General Fund to
10 the Site and Building Development Fund for fiscal year 2023-24. Such
11 money shall be placed in a subaccount of the Site and Building
12 Development Fund and earmarked for use to fund large shovel-ready
13 commercial and industrial sites developed under the Municipal Inland Port
14 Authority Act.

15 (3)(a) It is the intent of the Legislature to appropriate five
16 hundred thousand dollars from the Site and Building Development Fund for
17 fiscal year 2024-25 to the department to enter into one or more contracts
18 to conduct a comprehensive study or studies to identify and evaluate
19 large commercial and industrial sites in Nebraska that have the potential
20 to attract major investment and employment opportunities. The study shall
21 include consideration of super sites that encompass between five hundred
22 and one thousand acres and mega sites that encompass more than one
23 thousand acres. At least one proposed site shall be located west of the
24 one hundredth meridian in Nebraska. The contracts shall be awarded based
25 on a competitive selection process as determined by the department. The
26 studies shall be completed no later than December 15, 2024.

27 (b) The study shall assess the potential geographic locations; the
28 infrastructure assets that would be required for each site, including
29 highway, rail, and air transportation, and utilities such as water,
30 wastewater treatment, electrical power, and natural gas; the population
31 within fifty miles of each site and whether such population would be

1 sufficient to provide an adequate workforce for such site; and the
2 appropriate level of state investment necessary to position Nebraska as a
3 nationally or globally competitive location for site selection targeting
4 various sectors, including, but not limited to, advanced manufacturing,
5 trade, bioscience, agribusiness, warehousing and supply chain logistics,
6 technology, aerospace, automotive, clean energy, military support, and
7 life sciences. Such identified state investment levels may include, but
8 are not limited to, land acquisition costs and infrastructure
9 investments. The purpose of the study is to provide strategic insights
10 that will enable the state to attract major investment and employment
11 opportunities in order to support the growth of transformational
12 industries within Nebraska.

13 (c) The Director of Economic Development shall appoint an advisory
14 committee comprised of representatives of Nebraska economic development
15 organizations, equally representing each of Nebraska's three
16 congressional districts, to assist the department in identifying the
17 location of potential and preferred super sites and mega sites.

18 **Sec. 19.** This act becomes operative on July 1, 2025.

19 **Sec. 20.** Original sections 33-110, 60-158, 60-3,186, 76-901,
20 76-903, 77-684, 77-912, 77-1327, 77-1720, 77-1804, and 81-12,146, Reissue
21 Revised Statutes of Nebraska, and sections 8-1120, 77-2005, 77-2006,
22 77-6203, 77-6815, 77-6831, and 77-6833, Revised Statutes Cumulative
23 Supplement, 2024, are repealed.

24 **Sec. 21.** The following sections are outright repealed: Sections
25 77-2701.54 and 77-2704.62, Reissue Revised Statutes of Nebraska.

26 **Sec. 22.** Since an emergency exists, this act takes effect when
27 passed and approved according to law.