

Summary of LB 775 Benefits Approved Through 12/31/2005

Table 2 summarizes the credits earned, credits used, credits expired, and the direct sales/use tax refunds approved for qualified companies through December 31, 2005. Also included are the sales and use tax refunds pending at year end. Credits are expired after the project has reached the end of the carryover period and has received all expected benefits.

Detail by type of agreement is provided in Table 3. Detail by industry group is provided in Tables 4 through 8 and 10 through 14. Table 9 breaks down sales tax refunds between city and state tax. Tables 15 through 32 regroup the companies by year of qualification.

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Table 2

The Department of Revenue has conducted field reviews of companies which filed reports with the department indicating they had met the minimum new jobs and investment levels to qualify for incentives. Table 1 shows the number of qualifying companies verified by field review. Based on these examinations, the department has approved:

	1988-2001 ^(a)	2002	2003	2004	2005	Total
Investment Credits	\$1,200,278,330	\$94,627,118	\$73,168,444	\$47,119,400	\$44,035,139	\$1,459,228,431
New Jobs Credits	453,140,387	27,259,507	21,803,114	18,355,326	27,400,427	547,958,761
Total Credits Earned	\$1,653,418,717	\$121,886,625	\$94,971,558	\$65,474,726	\$71,435,566	\$2,007,187,192
Credits Used						
Income Tax ^(b)	\$462,429,043	\$28,608,407	\$40,352,137	\$34,894,898	\$35,526,275	\$601,810,760
Sales/Use Tax Refunds	395,653,970	43,044,802	54,788,893	51,221,202	66,858,062	611,566,931
Total Credits Used	\$858,083,013	\$71,653,209	\$95,141,030	\$86,116,100	\$102,384,337	\$1,213,377,691
Recapture ^(c)						
Repaid From Credits	\$ 18,862,240	\$ 2,660,004	\$ 2,858,091	\$ 4,351,586	\$ 4,726,346	\$ 33,458,267
	2,848,731	6,350,303	7,165,548	4,852,835	2,144,029	23,361,446
Credits Expired	0	8,603,682	6,274,151	2,881,327	10,730,097	28,489,257
Qualified Investment	\$15,104,372,207	\$1,230,538,458	\$826,327,537	\$599,180,614	\$528,697,581	\$18,289,116,397
Direct Sales/Use Tax Refunds on Investment	\$465,978,695	\$31,200,400	\$36,860,025	\$24,641,813	\$9,931,173	\$568,612,106
New Jobs of Qualifying Companies	71,460	860	262	2,886	2,962	78,430
Sales/Use Tax Refunds Pending Approval at Year End	N/A	\$45,248,206	\$35,675,492	\$33,694,186	\$39,663,923	N/A

^(a) For details by year see Annual Reports for previous year

	1988-2001 ^(a)	2002	2003	2004	2005	Total
^(b) Corporate	377,320,380	22,437,550	33,543,986	28,064,234	30,007,188	491,373,338
Individual	85,108,663	6,170,857	6,808,151	6,830,664	5,519,087	110,437,422
Total	462,429,043	28,608,407	40,352,137	34,894,898	35,526,275	601,810,760

^(c) 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, 2005, sixty-two projects were in recapture. \$16,196,722 in repayment due has been netted from approved refund claims, and \$17,261,534, plus interest, has been repaid in cash. Credit carryover for companies that have reached the end of the entitlement period has been reduced by \$23,361,446.