An interactive version of this report is available on the Nebraska Department of Revenue website:
revenue.nebraska.gov
Click on "Tax Incentives" on the left-hand side, then on "Annual Reports."

Letter from the Tax Commissioner

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)

Quality Jobs Act (LB 829)

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Pete Ricketts
Governor

STATE OF NEBRASKA
DEPARTMENT OF REVENUE
Tony Fulton, Tax Commissioner
PO Box 94818 • Lincoln, Nebraska 68509-4818
Phone: 402-471-5729 • revenue.nebraska.gov

July 15, 2016

Senator Galen Hadley
Speaker of the Legislature
2103 State Capitol
Lincoln, NE 68509

Dear Speaker Hadley:

The Nebraska Department of Revenue (Department) is electronically submitting the 2015 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;
- Invest Nebraska Act; and
- Quality Jobs Act.

The 2015 Annual Report and annual reports issued since 1997 can be found on the Department's website at revenue.nebraska.gov. An email has also been sent to all members of the Unicameral with a link to the 2015 Annual Report. Archived copies of years older than 1997 may be requested from the Department.

If you have any questions, please contact Mary Hugo at 402-471-5790.

Sincerely,

Tony Fulton

Tony Fulton
Tax Commissioner

An Equal Opportunity Employer

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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, see the Department's website. There are six tiers that have varying requirements and benefits for investment and employment.

Application Information

An application must be filed with the Nebraska Department of Revenue (Department) for each project. The application date for the project will establish the base year and impact the investment and required wage level for the project, as well as the applicability of certain statutory provisions. A complete application must be filed to establish an application date. 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.

For more information on filing an application under the Nebraska Advantage Act, see the Application Guide and the Nebraska Advantage Application.

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, railroad rolling stock, watercraft, or property rented to another person.

The increase in employment is the number of new full-time equivalent (FTE) employees who meet the required wage level and work at the project, or on tasks interdependent with the project from the residence of the teleworker in Nebraska or a military installation in Nebraska. 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.

Year	Required Annual Wage Level		Required Investment and Employment Threshold											
	Tiers 1-4	Tier 6*	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**	Tier 5WP/DC N/A**	Tier 5LDC N/A**	Tier 5RE N/A**	Tier 6	
													75 FTE	50 FTE
2015	$23,979	$61,776	$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

*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.

**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(1)(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 one year past the end of the entitlement period.

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*	7 years	6 or 7 years*	7 years	7 years	7 years	10 years
Carryover	0 to 3 years*	2 to 8 years*	0 to 3 years*	2 to 8 years*	N/A	N/A	1 year
Maximum Life	10 years	15 years	10 years	15 years	13 years	10 years	15 years

*Time periods are limited by 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.

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, 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 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 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 to 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 2WP/LDC	Tier 2LDC	Tier 3	Tier 4	Tier 5 & Tier 5RE	Tier 5WP/DC	Tier 5LDC	Tier 6
Tax Benefit										
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
Use of Credits										
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 the Department that it has reached the qualification levels, an audit is conducted to confirm the attainment of the minimum levels of investment and employment, verification of the credits earned in the attainment period, and the accuracy of the initial direct sales and use tax refund. After the audit is completed, the Department issues a letter informing the taxpayer of the outcome of the audit. The Department reviews annual filings for claimed tax benefits for reasonableness. The Department 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 propriety of the credits reported and benefits received. The confirmation of 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 the Department 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 requested after the Department 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 used at the project and aircraft used in connection with the project. The review of the claims may involve testing of 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, with a copy of the form filed with the county assessor in which the property is located. The Department 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 a reimbursement of property taxes paid on real property purchased or leased at the project. Prior to approving the reimbursement, the Department 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. The Department will review and approve the tax credit usage.

The taxpayer files Nebraska income tax withholding returns claiming the use of compensation credits as an offset of all, or a portion, of the taxes due. The taxpayer may also file amended returns to receive a refund of income tax withholding previously paid. The Department will review and approve the compensation credit usage. The Department 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 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. The Department 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 recapture of property tax exemptions already received, 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.

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

Nebraska Advantage Act Agreements Signed in 2015 and Agreements Still 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 just stated 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 Department's website and updated quarterly.

Beginning with applications filed on or after September 6, 2013, the Tax Commissioner must approve or deny an application within 180 days after the date of the application. The 180-day period is tolled from the time the Tax Commissioner makes a request for additional information or clarification to the time the requested information or clarification is received from the taxpayer. The taxpayer and the Tax Commissioner may also agree to extend the 180-day period. If the Tax Commissioner fails to make a determination within the 180-day period, the application is deemed to be approved. See Neb. Rev. Stat. § 77-5723(5).

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 an incentive under the Act;
4. The date the application was filed; and
5. A requirement that the company annually update the Department 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 the Department’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 2015

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)
Aetna Life Insurance Company	Omaha	0	51
Aetna, Inc.	Omaha	0	36
AltEn, LLC	Mead	51.5	64
Ameritas Life Insurance Corp.	Lincoln, Omaha, and Wayne	12.9	194
Archon Woodworks, Inc.	Omaha	3	30
Ariens Company	Auburn	3	30
Aviture, Inc.	Omaha	3	30
Bank of the West	Omaha	15	40
Bayer CropScience LP	Chester, Goehner, Hemingford, Lincoln, and McCook	1	10
Beef Products, Inc.	South Sioux City	12	100
Borgata Brewing and Distilling, LLC	Omaha	2.2	12
Brehmer Manufacturing, Inc.	Lyons	1.3	13
BuilderTREND Solutions, Inc.	Omaha	0	30
Busy Bones Butcher, LLC	Cozad	1	10
C & A Industries, Inc.	Lincoln and Omaha	3.1	90
C & A Industries, Inc.	Lincoln and Omaha	0	90
Cabela's Incorporated & Subsidiaries	Bellevue, Grand Island, Kearney, La Vista, Lincoln, North Platte, Papillion, and Sidney	17.7	300
Cellco Partnership	Lincoln	3	30
ConAgra Foods, Inc. and Subsidiaries	Omaha	15	110
Cornhusker Growth Corporation and Subsidiaries	Lincoln	10	30
D3 Technology, Inc.	Omaha	0	30
Darling Ingredients, Inc.	Ravenna	1	10

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)
Dempsters LLC	Beatrice	1	10
Distribution Management Systems, Inc.	Omaha	3	38
E Energy Adams, LLC	Adams	3	30
Epicrop Technologies, Inc.	Lincoln	1	10
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
First Data Corporation & Subsidiaries	Omaha	40	30
Harvest Roasting, LLC	Omaha	3	30
Hayneedle, Inc.	Omaha	3	30
Hexagon Lincoln, Inc.	Lincoln	12	100
Marshall Engines, Inc. & Subsidiary	Kearney	11.1	39
Materials and Machines Corporation of America	Lincoln	3	30
McCain Foods USA, Inc.	Grand Island	7.8	30
Midwest Renewable Energy, LLC	Omaha and Sutherland	7	35
Molex Incorporated	Lincoln	3	30
Monolith Materials, Inc.	Lincoln	210	100
Nebraska Brewing Company, Inc.	La Vista	1	10
Nebraska Furniture Mart, Inc.	Omaha	10	100
Omaha Steaks International, Inc.	Bellevue, Omaha, and Snyder	13.9	100
Oriental Trading Company, Inc. & Affiliated Entities	Bellevue, Fremont, La Vista, and Omaha	12	100
Parker Hannifin Corporation	Alliance and McCook	3	30
Pioneer Hi-Bred International, Inc.	Doniphan, Grand Island, Hastings, Seward, Stromsburg, and York	11	100

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)
Prairie Breeze Wind Energy LLC	Elgin, Meadow Grove, and Petersburg	390	0
Qwest Corporation	Omaha	0	30
RD Industries, Inc.	Omaha	1	10
ReSource Pro Services, LLC	Lincoln	3.6	73
Rotella's Italian Bakery, Inc.	La Vista	12	100
Sandhills Publishing Company	Lincoln	12	100
SensoryEffects Cereal Systems, Inc.	Lincoln	2	10
Silverstone, Inc.	Omaha	1	10
Smeal Fire Apparatus Co.	Neligh, Omaha, and Snyder	4.9	113
Superior Industries, Inc.	Columbus	12	100
TEAM Financial Management Systems, Inc.	Bellevue, Omaha, and Papillion	2.4	88
Tri-V Tool & Mfg. Co.	Omaha	4.9	59
Union Pacific Corporation & Subsidiaries	Statewide	1,000	200
West Point Dairy Products, LLC	West Point	5	15
Xpanxion, LLC	Kearney, Lincoln, and Loup City	0	30
Xylemer BioProducts, Inc.	Kearney	1	10
TOTAL			**59**

Agreements Still in Effect

The median period of time between the date of application and the date for all agreements signed as of December 31, 2015, is 329 days.

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
3M Company and Subsidiaries	Valley	8.3	36	2010
3MV Bancorp	Omaha and Papillion	6	50	2008
AAA Life Insurance Company	Omaha	3	30	2014
ACI Worldwide, Inc. & Subsidiaries	Elkhorn and Omaha	55	0	2010
ADC Telecommunications, Inc.	Sidney	3	30	2013
Aetna Life Insurance Company	Omaha	0	51	2015
Aetna, Inc.	Omaha	0	36	2015
Ag Processing Inc	Hastings	137.8	13	2014
Agile Sports Technologies, Inc.	Lincoln and Omaha	0	35	2013
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	5	39	2012
AltEn, LLC	Mead	51.5	64	2015
Alter Trading Corporation	Lincoln	1	10	2012
Amber Enterprises, Inc.	Omaha	4	30	2012
American Concrete Products Co.	Omaha	1.3	12	2007
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	3	30	2013

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Ameritas Life Insurance Corp.	Lincoln, Omaha, and Wayne	12.9	194	2015
Apogee Retail, LLC	Columbus	0	300	2008
Applied Underwriters, Inc.	Omaha	3	30	2010
Archer Daniels Midland Company	Columbus	750	100	2007
Archon Woodworks, Inc.	Omaha	3	30	2015
Ariens Company	Auburn	3	30	2015
Assurity Life Insurance Co.	Lincoln	55.5	100	2012
Aviture, Inc.	Omaha	3	30	2015
Baldwin Filters, Inc.	Gothenburg and Kearney	12	100	2013
Bank of the West	Omaha	15	40	2015
BastLab, LLC	Omaha	3	10	2013
Bayer CropScience LP	Chester, Goehner, Hemingford, Lincoln, and McCook	1	10	2015
Beef Products, Inc.	South Sioux City	12	100	2015
Bell Lumber & Pole Company	Sidney	25	31	2013
Black Hills Corporation	Bellevue, Lincoln, and Omaha	23.6	60	2010
Borgata Brewing and Distilling, LLC	Omaha	2.2	12	2015
Brehmer Manufacturing, Inc.	Lyons	1.3	13	2015
Broken Bow II Wind Energy, LLC	Broken Bow	140	0	2014
Bubba Foods, LLC	Hastings	11	100	2010
BuilderTREND Solutions, Inc.	Omaha	0	30	2015
Busy Bones Butcher, LLC	Cozad	1	10	2015
C & A Industries	Lincoln and Omaha	14	200	2007
C & A Industries, Inc.	Lincoln and Omaha	3.1	90	2015
C & A Industries, Inc.	Lincoln and Omaha	0	90	2015

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
C.J. Foods, Inc.	Pawnee City	20	54	2011
Cabela's Incorporated & Subsidiaries	Bellevue, Grand Island, Kearney, La Vista, Lincoln, North Platte, Papillion, and Sidney	17.7	300	2015
CAMACO, LLC	Columbus	3	30	2013
CAMACO, LLC	Columbus	20.2	100	2007
Cargill Incorporated	Blair	320	100	2007
Cargill, Inc. & Subs	Fremont	2.8	10	2011
Case New Holland, Inc. & Consolidated Subsidiaries	Grand Island	23.6	36	2007
Celerion Holdings, Inc. & Subsidiaries	Lincoln and Omaha	3	30	2014
Cellco Partnership	Lincoln	3	30	2015
Cellco Partnership	Lincoln	27.5	750	2007
Cellco Partnership	Statewide	176	0	2011
Central States Indemnity Co.	Bellevue and Omaha	5.8	60	2009
Champion Home Builders, Inc.	York	0	30	2012
Chief Industries, Inc.	Grand Island, Hastings, and Kearney	10	100	2007
Chief Industries, Inc.	Grand Island, Hastings, Kearney, and Lincoln	3	30	2014
CHS, Inc.	South Sioux City	3	30	2014
CLAAS of Omaha, Inc. & Affiliated Entities	Omaha	11	100	2014
Cleaver-Brooks, Inc.	Lincoln	1	10	2014
CNH America, LLC	Grand Island	12	100	2014
COCO Development, LLC	Omaha	3	30	2013
Columbus Hydraulics Company	Columbus	2.8	15	2007
CoMc, LLC	Omaha	1.2	15	2007
ConAgra Foods, Inc. and Subsidiaries	Omaha	15	110	2015
Cook's Hams, Inc.	Lincoln	10	100	2009

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
COR Securities Holdings, Inc.	Omaha	3	30	2014
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
CSG Systems International, Inc. & Subsidiaries	Omaha	53.5	100	2013
Cyclonaire Corporation	York	1	10	2013
D & D Foods, Inc.	Omaha	1.1	10	2010
D3 Technology, Inc.	Omaha	0	30	2015
Darling Ingredients, Inc.	Ravenna	1	10	2015
Dempsters LLC	Beatrice	1	10	2015
Dex One Service, Inc.	Omaha	0	30	2013
Digital IMS, Inc.	Lincoln	3	30	2014
Distefano Tool & Mfg. Co.	Omaha	2.3	10	2012
Distribution Management Systems, Inc.	Omaha	3	38	2015
Diversified Foods & Seasonings, Inc.	Nebraska City	10	100	2007
DLT Enterprises, Inc.	Omaha	3	30	2014
Douglas Holdings, LLC	Columbus and Plainview	3	10	2014
Drake-Williams Steel, Inc.	Omaha	10	100	2007
Drake-Williams Steel, Inc.	Omaha	3	30	2013
E Energy Adams, LLC	Adams	3	30	2015
E Energy Adams, LLC	Adams	90	32	2007

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Elemental Scientific, Inc.	Omaha	1.5	19	2012
Ellie Mae, Inc.	Omaha	0	34	2014
Epicrop Technologies, Inc.	Lincoln	1	10	2015
Evonik Corporation	Blair	82.5	10	2013
FHR Investments, LP	Fairmont and Geneva	150	100	2007
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
Farmers Mutual Insurance Company of Nebraska	Columbus, Gering, Grand Island, Kearney, Lincoln, Norfolk, North Platte, and Omaha	17.7	30	2012
Farmland Foods, Inc.	Crete	14	100	2007
Fidelity National Financial, Inc. and Subsidiaries	Omaha	8.7	205	2009
First Data Corporation & Subsidiaries	Omaha	50	0	2013
First Data Corporation & Subsidiaries	Omaha	40	30	2015
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, and Wayne	12	100	2013
First State Holding Co. & Subsidiaries	Beatrice, Cortland, DeWitt, Dorchester, Filley, Firth, Hallam, Hickman, Lincoln, Pickrell, Valley, Waverly, Western, Wilber, and Yutan	3	30	2013
First York Ban Corp.	Albion, Aurora, Bartlett, Bradshaw, Central City, Clay Center, Columbus, Davenport, Geneva, Glenvil, Grand Island, Hampton, Harvard, Henderson, Marquette, McCool Junction, Monroe, Polk, Rising City, Shelton, St. Edward, Stromsburg, Sutton, Waco, and York	3	30	2012
FMR LLC	Papillion	390	30	2013
FMR LLC	Papillion	150	0	2013
Frontier Holdings, LLC	Lincoln, Madison, Norfolk, and Omaha	3.8	35	2012

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Gavilon Holdings, LLC	Bellevue, Benkelman, Imperial, and Omaha	18.7	66	2014
Glass Contractors, Inc.	Omaha	5.1	11	2007
Glazer Enterprises, Inc.	Omaha	1	25	2007
Gordmans, Inc.	Omaha	16	100	2012
GPC, Inc.	Statewide	30	30	2007
Graepel North America, Inc.	Omaha	3	30	2012
Great Dane Limited Partnership	Wayne	1	10	2012
Greater Omaha Packing Co., Inc.	Omaha	10	30	2008
Green Plains Renewable Energy, Inc.	Ord	63.8	35	2008
Green Plains Renewable Energy, Inc.	Archer, Central City, Omaha, and St. Edward	3	30	2014
GWD, Ltd.	South Sioux City	1	10	2012
Harvest Roasting, LLC	Omaha	3	30	2015
Hayneedle, Inc.	Omaha	3	30	2015
Hayneedle, Inc.	Omaha	9.1	440	2007
Hexagon Lincoln, Inc.	Lincoln	5.2	39	2007
Hexagon Lincoln, Inc.	Lincoln	12	100	2015
Home Instead, Inc.	Omaha	5	30	2013
Hormel Foods Corporation	Falls City, Fremont, and Wausa	11	100	2012
Hornady Manufacturing Company	Alda and Grand Island	1	10	2007
Hornady Manufacturing Company	Alda and Grand Island	12	100	2014
House of Brick Technologies, LLC	Omaha	0	30	2012
Husker Ag, LLC	Plainview	53.5	15	2007
Idea5, Inc.	Omaha	3.6	50	2014

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
infoUSA Inc.	Papillion	4.3	250	2007
Interpublic Group, Inc.	Omaha	3.5	100	2012
Intersystems International, Inc.	Omaha	5.4	30	2007
IPG GIS US, Inc.	Omaha	7.5	35	2009
J. D. Heiskell Holdings, LLC	Elkhorn	3	30	2013
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	10	100	2007
Kellogg USA, Inc.	Omaha	36	30	2013
Kinney Manufacturing, LLC	Lincoln	3.6	15	2014
Klute, Inc.	York	8.6	15	2013
KYS Foods, Inc.	Scottsbluff	3.7	30	2012
LALA Branded Products, Inc.	Omaha	12	15	2012
Laurel BioComposite, LLC	Laurel	10	15	2012
Lenco, Inc. - PMC	Waverly	2	15	2007
Li-Cor, Inc.	Lincoln	5.5	35	2008
Lincoln Industries, Inc.	Lincoln	11	100	2012
Lindsay Corporation	Lindsay and Omaha	11	100	2007
Link Snacks, Inc.	Bellevue	1	10	2012
LinkedIn Corp.	Omaha	10	100	2012
Linoma Group, Inc.	Ashland	1.3	10	2014
Lozier Corporation	Omaha	11	100	2010
M.G. Waldbaum Company	Wakefield	4.8	18	2012
MacPractice, Inc.	Lincoln	15	66	2012
Majors Plastics, Inc.	Omaha	3	30	2014

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Malnove Holding Company, Inc.	Omaha	2	10	2011
Marathon Ventures, Inc.	Bellevue and Omaha	4	37	2012
Markel Aspen, Inc.	Omaha	10	576	2008
Markel Corporation and Subsidiaries	Omaha	12	100	2014
Marshall Engines, Inc. & Subsidiary	Kearney	11.1	39	2015
Materials and Machines Corporation of America	Lincoln	3	30	2015
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
MI Industries, Inc.	Lincoln	1	10	2014
Mi Mama's Tortillas, LLC	Omaha	3.5	15	2011
Midlands Packaging Corporation	Lincoln	1.8	12	2007
Midwest Laboratories, Inc.	Omaha	2	18	2011
Midwest Renewable Energy, LLC	Omaha and Sutherland	7	35	2015
Midwest Web, Inc.	Lincoln	3.5	34	2010
Milk Specialties Company & Subsidiaries	Norfolk	7	30	2010
Minden Machine Shop, Inc.	Minden	1	10	2011
MLB Advanced Media, LP	Omaha	51.6	0	2014
Molex Incorporated	Lincoln	61	150	2007
Molex Incorporated	Lincoln	3	30	2015

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Monolith Materials, Inc.	Lincoln	210	100	2015
Monsanto Company	Gothenburg, Kearney, Stromsburg, and Waco	153	180	2010
Moody's Analytics, Inc.	Omaha	2.1	35	2010
Mutual of Omaha Insurance Company	Blair and Omaha	111.2	386	2011
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
Neapco Components, LLC	Beatrice	3	30	2010
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, Stromsburg, Syracuse, Tecumseh, Waco, and York	25	45	2013
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 Furniture Mart, Inc.	Omaha	10	100	2015
Nebraska Global Investment Company, LLC	Lincoln	0	50	2012
Nebraska Machine Products, Inc.	Omaha	1	20	2012
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
Nelnet, Inc. & Subsidiaries	Bellevue and Lincoln	11	200	2011
Nelnet, Inc. & Subsidiaries	Omaha	3	300	2014

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Neogen Corporation	Lincoln	5	10	2007
Neogen Corporation & Subsidiaries	Lincoln	3	30	2014
Norfolk Iron & Metal Co.	Norfolk	10	30	2013
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
Novartis Pharmaceuticals Corp. & Affiliates	Lincoln	68	119	2007
Novozymes Blair, Inc.	Blair	110	100	2008
Nucor Corporation	Norfolk	12	100	2014
Omaha Financial Holdings, Inc.	Blair, La Vista, Lincoln, and Omaha	5.9	50	2008
Omaha Steaks International, Inc.	Bellevue, Omaha, and Snyder	13.9	100	2015
Omaha Steel Castings Co.	Omaha and Wahoo	3	30	2013
Open Range Beef, LLC	Gordon	12	100	2014
ORI Great West Holdings, Inc.	Grand Island and South Sioux City	4	30	2012
Oriental Trading Company, Inc. & Affiliated Entities	Bellevue, Fremont, La Vista, and Omaha	12	100	2015
Orthman Manufacturing, Inc.	Lexington	11	100	2014
OTTR, Inc.	Omaha	1	10	2013
Oxbow Enterprises, Inc.	Ashland, Murdock, Syracuse, and West Point	3	30	2014
Parker Hannifin Corporation	Alliance and McCook	3	30	2015
PayFlex Systems USA, Inc.	Omaha	10	100	2009
PayPal, Inc.	Bellevue and La Vista	42.5	1,997	2007
Pen-Link, Ltd.	Ashland and Lincoln	1	10	2012

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Peter Kiewit Sons', Inc. & Subsidiaries	Lincoln, Omaha, and Papillion	106	100	2014
Pharmaceutical Technologies, Inc.	Bellevue and Omaha	6.4	36	2007
Phillips Manufacturing Company	Omaha	1	10	2014
Pioneer Hi-Bred International, Inc.	Doniphan, Grand Island, Hastings, Seward, Stromsburg, and York	11	100	2015
Prairie Breeze Wind Energy LLC	Elgin, Meadow Grove, and Petersburg	390	0	2015
Precision Components Midwest, LLC	Norfolk	1.6	10	2012
Preferred Sands of Genoa, LLC	Genoa	10	30	2013
Premier Senior Marketing, Inc.	Norfolk	3	30	2013
Prime Therapeutics, LLC	Omaha	0	30	2014
Printco Graphics, Inc.	Omaha	3	10	2013
Professional Research Consultants, Inc.	Omaha	3	30	2007
Proxibid, Inc.	Bellevue, Omaha, and South Sioux City	3	30	2013
Quality Pork International, Inc.	Omaha	10	100	2008
Qwest Corporation	Omaha	0	30	2015
RD Industries, Inc.	Omaha	1	10	2015
Reinke Management Company &Subsidiaries	Deshler	3	30	2013
Resonance Innovations, LLC	Omaha	1	10	2013
ReSource Pro Services, LLC	Lincoln	3.6	73	2015
Rotella's Italian Bakery	La Vista	10	30	2007
Rotella's Italian Bakery, Inc.	La Vista	12	100	2015
Royal Engineered Composites, Inc.	Minden	6.1	49	2008

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
SalonCentric, Inc.	La Vista	8.3	30	2014
Sandhills Publishing Company	Lincoln	12.5	100	2007
Sandhills Publishing Company	Lincoln	12	100	2015
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
Signature Performance, Inc.	Omaha	0	45	2012
SII Acquisition, Inc. & Subsidiary	Lincoln	0	30	2008
Silverstone Holdings, Inc.	Omaha	5	30	2007
Silverstone, Inc.	Omaha	1	10	2015
Smeal Fire Apparatus Co.	Neligh, Omaha, and Snyder	4.9	113	2015
Smeal Fire Apparatus Co.	Neligh and Snyder	2.4	30	2007
Snyder Industries, Inc.	Lincoln	1	10	2014
Speedway Motors, Inc.	Lincoln	11	100	2013
Stanley Security Solutions, Inc.	Lincoln	3	30	2014
Steele Flats Wind Project, LLC	Diller and Odell	138	0	2014
Streck, Inc.	La Vista	10	100	2007
Structural Components Systems, Inc.	Fremont and Lincoln	0	30	2014
Superior Industries, Inc.	Columbus	12	100	2015

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Swift Beef Company	Grand Island	10	100	2007
Sympateco, Inc.	Omaha	3	30	2012
Syngenta Seeds, Inc.	Omaha and Waterloo	27	10	2008
Table Rock Stone Company, LLC	Ralston	1.1	10	2012
TD Ameritrade Holding Corporation & Subsidiaries	Bellevue and Omaha	10	200	2007
TD Ameritrade Holding Corporation & Subsidiaries	Omaha	12	100	2014
TEAM Financial Management Systems, Inc.	Bellevue, Omaha, and Papillion	2.4	88	2015
Tecumseh Poultry, LLC	Tecumseh and Waverly	5	40	2012
TELCOR, Inc.	Lincoln	2.3	30	2010
Teledyne Technologies, Inc. & Subsidiaries	Lincoln	12	100	2013
Tenaska Energy, Inc.	Omaha	23	30	2014
Tenneco, Inc.	Seward	10	100	2012
The Buckle, Inc.	Kearney	12	100	2013
The James Skinner Co.	Omaha	10	100	2007
The Lincoln National Life Insurance Company	Omaha	0	30	2013
The Scoular Company	Big Springs, Brandon, Elsie, Fremont, Grainton, Grant, Holdrege, Lamar, Madrid, Omaha, Venango, and Wallace	3	30	2010
The Toro Company & Subsidiaries	Beatrice	3	30	2014
The Travelers Indemnity Company	Springfield	40	0	2013
The Travelers Indemnity Company	Springfield	215	30	2013
Thermo King Corporation	Hastings	4.1	96	2014
Think Aksarben, LLP	Omaha	3.4	43	2014
Thurston Manufacturing Company	Thurston	4.4	37	2012

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Titan Medical Holdings, Inc.	Omaha	3	30	2013
TMCO, Inc.	Lincoln	3	30	2012
Travel & Transport, Inc.	Lincoln and Omaha	3	30	2014
Tri-V Tool & Mfg. Co.	Omaha	4.9	59	2015
Tyco Healthcare Group LP	Norfolk	3	30	2013
Tyson Fresh Meats, Inc.	Madison	1	10	2010
Tyson Fresh Meats, Inc.	Dakota City	11	100	2010
Tyson Fresh Meats, Inc.	Lexington	3	30	2012
Tyson Processing Services, Inc.	Omaha	1	10	2012
Ubiquity Global Services, Inc.	Omaha	3	30	2014
Union Pacific Corporation & Subsidiaries	Statewide	1,000	200	2015
Universal GP Holdings, L.P.	Lincoln	9.5	30	2009
Vantec, Inc.	Falls City	3	30	2009
Veyance Technologies, Inc.	Lincoln	3	30	2012
Veyance Technologies, Inc.	Norfolk	3	30	2012
VKGS, LLC	Omaha	0	37	2013
Werner Enterprises, Inc.	Omaha	11	100	2012
West Corporation & Subsidiaries	Omaha	140	125	2013
West Gate Banshares, Inc.	Lincoln	11	100	2012
West Point Dairy Products, LLC	West Point	5	15	2015
Williams Form Engineering Corp.	Wayne	1	10	2012
Xpanxion, LLC	Kearney, Lincoln, and Loup City	0	30	2015
Xylemer BioProducts, Inc.	Kearney	1	10	2015

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Yahoo! Inc.	La Vista and Omaha	100	100	2011
Yasufuku U.S.A., Inc.	Lincoln	1	10	2012
Zermatt Tool, Inc.	Adams and Bennet	1	10	2013
Zillow, Inc.	Lincoln	1	10	2014
Zoetis, LLC	Lincoln	67.9	100	2014
TOTAL 310				

Nebraska Advantage Act
Summary of Qualified Project Activity

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

This table below summarizes the activity for projects that have completed a qualification audit, which confirms the attainment of required levels of investment or employment. **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 the Department processes the filing or 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 2013 include compensation credits approved in 2013 for all 57 companies with a completed qualification audit as of the end of 2013 (including those companies that had a qualification audit between 2006 and 2012). If a qualification audit was issued in 2014, the amounts from that audit are reported in 2014 even though the audit may include compensation credits earned by the applicant for wages paid in 2013.

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 2006-2011, after audits were completed, 33 projects were confirmed as having met minimum levels and approved as eligible to receive benefits. An additional 12 projects were audited and approved in 2012 for a total of 45, and the 94 projects reflected in 2015 are the cumulative total from 2006 through 2015. 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 the Department 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 2006-2011, the 33 projects added 4,079 new employees. In 2012, the 45 projects (three approved from 2006-2008, six approved in 2009, 12 approved in 2010, 12 approved in 2011, and 12 approved in 2012) added 3,024 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

Category	2006-2011	2012	2013	2014	2015	Total
Number of Qualifying Projects (Cumulative)	33	45	57	73	94	**N/A**
Tax Credits Earned:						
Investment Credits	$136,293,214	$208,748,289	$72,215,842	$57,713,510	$66,468,444	**$541,439,299**
Compensation Credits	34,621,177	32,721,421	23,945,927	25,609,217	18,338,492	**135,236,234**
Total Tax Credits Earned	**$170,914,391**	**$241,469,710**	**$96,161,769**	**$83,322,727**	**$84,806,936**	**$676,675,533**
Tax Credits Used:						
Corporation Income Tax	$43,758,166	$15,105,310	$42,932,974	$12,462,414	$14,515,008	**$128,773,872**
Individual Income Tax	3,276,800	3,729,655	2,810,531	3,261,753	6,070,375	**19,149,114**
Subtotal Income Tax	**$47,034,966**	**$18,834,965**	**$45,743,505**	**$15,724,167**	**$20,585,383**	**$147,922,986**
Sales/Use Tax Refunds	$2,565,508	$2,413,204	$13,216,317	$10,106,452	$14,626,402	**$42,927,883**
Income Tax Withholding	17,371,306	10,664,483	20,451,161	18,698,615	18,511,813	**85,697,378**
Real Property Tax	0	0	0	0	0	**0**
Total Tax Credits Used	**$66,971,780**	**$31,912,652**	**$79,410,983**	**$44,529,234**	**$53,723,598**	**$276,548,247**
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	0	0	$1,596,453	0	$1,143,663	**$2,740,116**
Tax Credits Outstanding[1]	$103,942,611	$209,557,058	$15,154,333	$38,793,493	$29,939,675	**$397,387,170**
Qualified Capital Investment	$1,379,314,419	$2,102,025,793	$728,714,786	$909,224,715	$833,166,050	**$5,952,445,763**
Direct Sales/Use Tax Refunds on Investment	$18,688,671	$12,665,722	$35,956,174	$19,253,346	$32,588,731	**$119,152,644**
Sales/Use Tax Refunds Pending Approval	N/A	N/A	N/A	N/A	$23,687,353	**$23,687,353**
Recapture Repaid	$750,813	$516,735	$1,566,446	$1,452,021	$424,630	**$4,710,645**
Property Tax Benefits:						
Personal Property Value Exempted	$960,556,249	$775,311,302	$706,530,958	$829,181,670	$928,862,420	**$4,200,442,599**
Value of Real Property Reimbursed	0	0	0	0	0	**0**
Increase in New Jobs at Qualifying Projects (FTE)[2]	4,079	3,024	2,199	1,221	1,375	**11,898**

[1]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, however, not all credits earned have been used, see Employment and Investment Growth Act Summary of Qualified Project Activity.

[2]FTE = Full-time Equivalent

Nebraska Advantage Act 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 can be found on the Department's website. The actual amount of taxes levied are determined by applying the levy rate for the tax district in which the property is sitused against the value of that property. If personal property had not been exempted, however, the levy rate may have differed.

Property Class	2006-2011	2012	2013	2014	2015	Total
Agricultural Product Processing Equipment:						
Dakota	$0	$0	$0	$0	$33,233,885	**$33,233,885**
Douglas	0	4,880,251	4,344,268	4,089,886	6,020,334	**19,334,739**
Hall	0	0	0	0	18,828,753	**18,828,753**
Platte	536,973,570	486,295,492	443,353,340	398,693,184	342,770,743	**2,208,086,329**
Saline	0	7,375,461	6,737,368	7,278,830	8,035,225	**29,426,884**
Washington	282,548,385	115,092,821	103,487,494	224,821,094	178,686,758	**904,636,552**
Total	**$819,521,955**	**$613,644,025**	**$557,922,470**	**$634,882,994**	**$587,575,698**	**$3,213,547,142**
Aircraft:						
Buffalo	$0	$0	$0	$4,551,114	$0	**$4,551,114**
Douglas	0	1,833,874	1,283,712	23,921,306	45,011,387	**72,050,279**
Lancaster	0	0	0	3,219,898	2,253,928	**5,473,826**
Total	**$0**	**$1,833,874**	**$1,283,712**	**$31,692,318**	**$47,265,315**	**$82,075,219**
Computer Systems and Peripherals:						
Douglas	$10,222,690	$8,186,290	$10,791,493	$25,768,521	$29,459,994	**$84,428,988**
Hall	0	0	0	0	20,078	**20,078**
Lancaster	2,088,482	0	562,673	1,737,876	1,040,196	**5,429,227**
Sarpy	128,099,050	149,841,025	133,536,397	127,386,099	220,423,227	**736,620,281**
Washington	624,072	1,531,480	2,404,296	2,343,419	52,275	**6,955,542**
Total	**$141,034,294**	**$159,558,795**	**$147,294,859**	**$157,235,915**	**$228,330,253**	**$833,454,116**
Distribution Facility Equipment:						
Douglas	$0	$32,694	$29,917	$1,187,542	$956,045	**$2,206,198**
Saline	0	241,914	0	0	0	**241,914**
Total	**$ 0**	**$ 274,608**	**$29,917**	**$1,187,542**	**$956,045**	**$2,448,112**
Other Personal Property:						
Douglas	$0	$0	$0	$4,182,901	$7,721,452	**$11,904,353**
Sarpy	0	0	0	0	34,348,140	**57,013,657**
Total	**$0**	**$0**	**$0**	**$4,182,901**	**$64,735,109**	**$68,918,010**
Total	**$960,556,249**	**$775,311,302**	**$706,530,958**	**$829,181,670**	**$871,848,763**	**$4,200,442,599**

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 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
22, 23, 327 — Utilities; Construction; and Nonmetallic Mineral Product Manufacturing	Tier 1 Tier 2 Tier 5RE Tier 6	5 2 3 1
311, 312 — Food and Beverage Manufacturing	Tier 1 Tier 2 Tier 2WP/DC Tier 4	17 11 1 14
314, 322, 323, 325, 326 — Textile Product Mills; Paper Manufacturing; Printing and Related Support Activities; Chemical Manufacturing; Plastics and Rubber Product Manufacturing	Tier 1 Tier 2 Tier 2WP/DC Tier 3 Tier 4 Tier 5 Tier 6	14 13 3 1 7 1 1
321, 331, 332 — Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing	Tier 1 Tier 2 Tier 2WP/DC Tier 3 Tier 4	7 5 1 2 4
333, 334, 335, 336, 337, 339 — Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture, and Related Product; and Miscellaneous Manufacturing	Tier 1 Tier 2 Tier 2WP/DC Tier 3 Tier 4	17 20 6 1 15
42 — Wholesale Trade	Tier 1 Tier 2 Tier 2WP/DC Tier 4	2 4 2 2
48, 49 — Transportation and Warehousing Services	Tier 2 Tier 4	4 5
51 — Information Services	Tier 2 Tier 2WP/DC Tier 3 Tier 4 Tier 5 Tier 5WP/DC	5 1 2 9 1 1
52 — Finance and Insurance Services	Tier 2 Tier 2LDC Tier 2WP/DC Tier 3 Tier 4 Tier 5 Tier 5LDC	17 2 6 3 12 2 2
54, 56, 62, 81 — Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services	Tier 1 Tier 2 Tier 2WP/DC Tier 3 Tier 4 Tier 5	11 25 5 11 3 1
TOTAL		**310**

Nebraska Advantage Act
Benefits Approved, by Industry, 2015

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 attainment of minimum required levels of investment and employment, and the personal property tax which can be exempted prior to the attainment of the minimum required levels. 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 projects are combined with at least one other industry group to prevent disclosure of confidential information. In the following tables, the first table summarizes the 2015 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[1]	Non-Manufacturing[2]	Total
Number of Qualifying Projects	55	39	**94**
Tax Credits Earned:			
Investment Credits	$47,146,305	$19,322,139	**$66,468,444**
Compensation Credits	8,169,577	10,168,915	**18,338,492**
Total Tax Credits Earned	**$55,315,882**	**$29,491,054**	**$84,806,936**
Tax Credits Used:			
Corporation Income Tax	$11,400,989	$3,114,019	**$14,515,008**
Individual Income Tax	2,885,681	3,184,694	**6,070,375**
Subtotal Income Tax	**$14,286,670**	**$6,298,713**	**$20,585,383**
Sales/Use Tax Refunds	$7,981,673	$6,644,729	**$14,626,402**
Income Tax Withholding	6,338,989	12,172,824	**18,511,813**
Real Property Tax	0	0	**0**
Total Tax Credits Used	**$28,607,332**	**$25,116,266**	**$53,723,598**
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	$906,468	$237,195	**$1,143,663**
Tax Credits Outstanding	$25,802,082	$4,137,593	**$29,939,675**
Qualified Capital Investment	$615,461,185	$217,704,865	**$833,166,050**
Direct Sales/Use Tax Refunds on Investment	$11,177,410	$21,411,321	**$32,588,731**
Sales/Use Tax Refunds Pending Approval	$6,083,465	$17,603,888	**$23,687,353**
Recapture Repaid	$---[3]	$---[3]	**$424,630**
Property Tax Benefits:			
Personal Property Value Exempted	$647,853,702	$281,008,718	**$928,862,420**
Value of Real Property Reimbursed	$0	$0	**$0**
Increase in New Jobs at Qualifying Projects (FTE)[4]	974	401	**1,375**
Estimated Average Wage of New Jobs[5]	$36,013	$46,143	$40,046

[1]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 Miscellanous Product Manufacturing.

[2]The industry groups included in Non-Manufacturing are:
42 — Wholesale 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.

[3]Recapture payments were received by the Department, however, to maintain confidentiality, they are not reported by industry group.

[4]FTE = Full-time equivalent.

[5]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, 2015

Category	Non-Durable Product Manufacturing[1]	Machinery & Miscellaneous Manufacturing[2]	Other Manufacturing[3]	Manufacturing Total
Number of Qualifying Projects	16	20	19	**55**
Tax Credits Earned:				
Investment Credits	$28,939,821	$6,174,825	$12,031,659	**$47,146,305**
Compensation Credits	1,781,249	3,311,542	3,076,786	**8,169,577**
Total Tax Credits Earned	**$30,721,070**	**$9,486,367**	**$15,108,445**	**$55,315,882**
Tax Credits Used:				
Corporation Income Tax	$1,595,017	$7,827,342	$1,978,630	**$11,400,989**
Individual Income Tax	660,464	1,548,862	676,355	**2,885,681**
Subtotal Income Tax	**$2,255,481**	**$9,376,204**	**$2,654,985**	**$14,286,670**
Sales/Use Tax Refunds	$6,013,281	$1,334,219	$634,173	**$7,981,673**
Income Tax Withholding	1,543,157	2,851,847	1,943,985	**6,338,989**
Real Property Tax	0	0	0	**0**
Total Tax Credits Used	**$9,811,919**	**$13,562,270**	**$5,233,143**	**$28,607,332**
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	$---[4]	$---[4]	$---[4]	**$906,468**
Tax Credits Outstanding	$---[4]	$---[4]	$---[4]	**$25,802,082**
Qualified Capital Investment	$304,474,819	$66,332,990	$244,653,376	**$615,461,185**
Direct Sales/Use Tax Refunds on Investment	$4,407,161	$397,820	$6,372,429	**$11,177,410**
Sales/Use Tax Refunds Pending Approval	$2,744,605	$2,464,665	$874,195	**$6,083,465**
Recapture Repaid	$---[4]	$---[4]	$---[4]	**$---[4]**
Property Tax Benefits:				
Personal Property Value Exempted	$521,509,776	$0	$126,343,926	**$647,853,702**
Value of Real Property Reimbursed	$0	$0	$0	**$0**
Increase in New Jobs at Qualifying Projects (FTE)[5]	120	321	533	**974**
Estimated Average Wage of New Jobs[6]	$52,936	$36,801	$31,553	$36,013

[1]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.

[2]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 Miscellanous Product Manufacturing.

[3]To maintain confidentiality, the following industry groups are combined in Other Manufacturing:
22, 23, 327 — Utilities, Constructions, and Nonmetallic Mineral Product Manufacturing;
311, 312 — Food and Beverage Manufacturing; and
321, 331, 332 — Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing.

[4]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.

[5]FTE = Full-time equivalent.

[6]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, 2015

Category	52-Finance & Insurance Services	Professional & Miscellaneous Services[1]	Other Non-Manufacturing[2]	Non-Manufacturing Total
Number of Qualifying Projects	13	16	10	**39**
Tax Credits Earned:				
Investment Credits	$11,310,016	$1,675,240	$6,336,883	**$19,322,139**
Compensation Credits	4,053,930	2,223,014	3,891,971	**10,168,915**
Total Tax Credits Earned	**$15,363,946**	**$3,898,254**	**$10,228,854**	**$29,491,054**
Tax Credits Used:				
Corporation Income Tax	$1,620,198	$893,559	$600,262	**$3,114,019**
Individual Income Tax	1,405,456	925,817	853,421	**3,184,694**
Subtotal Income Tax	**$3,025,654**	**$1,819,376**	**$1,453,683**	**$6,298,713**
Sales/Use Tax Refunds	$5,003,621	$734,595	$906,513	**$6,644,729**
Income Tax Withholding	4,859,955	2,050,793	5,262,076	**12,172,824**
Real Property Tax	0	0	0	**0**
Total Tax Credits Used	**$12,889,230**	**$4,604,764**	**$7,622,272**	**$25,116,266**
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	$---[3]	$---[3]	$---[3]	**$237,195**
Tax Credits Outstanding	$---[3]	$---[3]	$---[3]	**$4,137,593**
Qualified Capital Investment	$113,100,160	$41,235,875	$63,368,830	**$217,704,865**
Direct Sales/Use Tax Refunds on Investment	$11,780,324	$1,907,705	$7,723,291	**$21,411,321**
Sales/Use Tax Refunds Pending Approval	$8,076,044	$1,247,618	$8,280,226	**$17,603,888**
Recapture Repaid	$---[3]	$---[3]	$---[3]	**$---[3]**
Property Tax Benefits:				
Personal Property Value Exempted	$185,258,396	$0	$95,750,322	**$281,008,718**
Value of Real Property Reimbursed	$0	$0	$0	**$0**
Increase in New Jobs at Qualifying Projects (FTE)[4]	323	(8)	86	**401**
Estimated Average Wage of New Jobs[5]	$40,099	N/A	$56,949	$46,143

[1]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.

[2]To maintain confidentiality, the following industry groups are combined in Other Non-Manufacturing:
42 — Wholesale Trade;
48, 49 — Transportation and Warehousing Services; and
51 — Information Services.

[3]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.

[4]FTE = Full-time equivalent.

[5]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, 2006-2015

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, 2006-2015

Category	Manufacturing[1]	Non-Manufacturing[2]	Total
Number of Qualifying Projects	55	39	**94**
Tax Credits Earned:			
Investment Credits	$325,638,692	$215,800,607	**$541,439,299**
Compensation Credits	44,316,824	90,919,410	**135,236,234**
Total Tax Credits Earned	**$369,955,516**	**$306,720,017**	**$676,675,533**
Tax Credits Used:			
Corporation Income Tax	$49,544,170	$79,229,702	**$128,773,872**
Individual Income Tax	8,262,203	10,886,911	**19,149,114**
Subtotal Income Tax	**$57,806,373**	**$90,116,613**	**$147,922,986**
Sales/Use Tax Refunds	$23,497,614	$19,430,270	**$42,927,884**
Income Tax Withholding	26,601,084	59,096,293	**85,697,378**
Real Property Tax	0	0	**0**
Total Tax Credits Used	**$107,905,071**	**$168,643,176**	**$276,548,247**
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	$1,737,879	$1,002,237	**$2,740,116**
Tax Credits Outstanding	$260,312,566	$137,074,604	**$397,387,170**
Qualified Capital Investment	$3,502,479,662	$2,449,966,101	**$5,952,445,763**
Direct Sales/Use Tax Refunds on Investment	$35,322,064	$83,830,579	**$119,152,644**
Recapture Repaid	$---[3]	$---[3]	**$4,710,645**
Property Tax Benefits:			
Personal Property Value Exempted	$3,310,510,443	$889,932,156	**$4,200,442,599**
Value of Real Property Reimbursed	$0	$0	**$0**
Increase in New Jobs at Qualifying Projects (FTE)[4]	5,215	6,683	**11,898**
Estimated Average Wage of New Jobs[5]	$39,687	$49,786	$45,359

[1]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 Miscellanous Product Manufacturing.

[2]The industry groups included in Non-Manufacturing are:
42 — Wholesale Trade;
48, 49 — Transportation and Warehousing Services;
51 — Finance & Insurance Services;
52 — Finance & Insurance Services;
54, 56, 62, 81 — Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services.

[3]Recapture payments were received by the Department, however, to maintain confidentiality, they are not reported by industry group.

[4]FTE = Full-time equivalent.

[5]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, 2006-2015

Category	Non-Durable Product Manufacturing[1]	Machinery & Miscellaneous Manufacturing[2]	Other Manufacturing[3]	Manufacturing Total
Number of Qualifying Projects	16	20	19	**55**
Tax Credits Earned:				
Investment Credits	$229,084,262	$75,282,437	$21,271,993	**$325,638,692**
Compensation Credits	11,870,720	25,939,857	6,506,247	**44,316,824**
Total Tax Credits Earned	**$240,954,982**	**$101,222,294**	**$27,778,240**	**$369,955,516**
Tax Credits Used:				
Corporation Income Tax	$10,810,525	$35,639,075	$3,094,570	**$49,544,170**
Individual Income Tax	1,233,263	3,063,321	3,965,619	**8,262,203**
Subtotal Income Tax	**$12,043,788**	**$38,702,396**	**$7,060,189**	**$57,806,373**
Sales/Use Tax Refunds	$17,680,099	$4,433,659	$1,383,857	**$23,497,614**
Income Tax Withholding	7,044,001	16,235,107	3,321,976	**26,601,084**
Real Property Tax	0	0	0	**0**
Total Tax Credits Used	**$36,767,888**	**$59,371,163**	**$11,766,022**	**$107,905,071**
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	$---[4]	$---[4]	$---[4]	**$1,737,879**
Tax Credits Outstanding	$---[4]	$---[4]	$---[4]	**$260,312,566**
Qualified Capital Investment	$2,354,511,621	$786,781,097	$361,186,944	**$3,502,479,662**
Direct Sales/Use Tax Refunds on Investment	$22,891,715	$5,561,351	$6,868,998	**$35,322,064**
Recapture Repaid	$---[4]	$---[4]	$---[4]	**$---[4]**
Property Tax Benefits:				
Personal Property Value Exempted	$3,112,775,156	$0	$197,735,287	**$3,310,510,443**
Value of Real Property Reimbursed	$0	$0	$0	**$0**
Increase in New Jobs at Qualifying Projects (FTE)[5]	1,101	3,006	1,108	**5,215**
Estimated Average Wage of New Jobs[6]	$44,162	$40,894	$31,968	$39,687

[1]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.

[2]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 Miscellanous Product Manufacturing.

[3]To maintain confidentiality, the following industry groups are combined in Other Manufacturing:
22, 23, 327 — Utilities, Constructions, and Nonmetallic Mineral Product Manufacturing;
311, 312 — Food and Beverage Manufacturing; and
321, 331, 332 — Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing.

[4]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.

[5]FTE = Full-time equivalent.

[6]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, 2006-2015

Category	52-Finance & Insurance Services	Professional & Miscellaneous Services[1]	Other Non-Manufacturing[2]	Non-Manufacturing Total
Number of Qualifying Projects	13	16	10	**39**
Tax Credits Earned:				
Investment Credits	$86,143,260	$12,719,153	$116,938,194	**$215,800,607**
Compensation Credits	45,407,397	12,387,644	33,124,369	**90,919,410**
Total Tax Credits Earned	**$131,550,657**	**$25,106,797**	**$150,062,563**	**$306,720,017**
Tax Credits Used:				
Corporation Income Tax	$9,688,391	$1,225,917	$68,315,394	**$79,229,702**
Individual Income Tax	2,822,205	2,287,045	5,777,661	**10,886,911**
Subtotal Income Tax	**$12,510,596**	**$3,512,962**	**$74,093,055**	**$90,116,613**
Sales/Use Tax Refunds	$12,965,353	$4,432,751	$2,032,167	**$19,430,270**
Income Tax Withholding	29,408,039	8,904,367	20,783,888	**59,096,293**
Real Property Tax	0	0	0	**0**
Total Tax Credits Used	**$54,883,987**	**$16,850,080**	**$96,909,110**	**$168,643,176**
Tax Credits Recaptured from Credit Balance and Tax Credits Expired	$---[3]	$---[3]	$0	**$1,002,237**
Tax Credits Outstanding	$---[3]	$---[3]	$---[3]	**$237,074,604**
Qualified Capital Investment	$861,432,600	$243,096,794	$1,345,436,707	**$2,449,966,101**
Direct Sales/Use Tax Refunds on Investment	$38,627,574	$7,252,464	$37,950,541	**$83,830,579**
Recapture Repaid	$---[3]	$---[3]	$---[3]	**$---[3]**
Property Tax Benefits:				
Personal Property Value Exempted	$294,777,940	$0	$595,154,216	**$889,932,156**
Value of Real Property Reimbursed	$0	$0	$0	**$0**
Increase in New Jobs at Qualifying Projects (FTE)[4]	3,335	1,228	2,120	**6,683**
Estimated Average Wage of New Jobs[5]	$50,209	$31,669	$53,641	$49,786

[1]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.

[2]To maintain confidentiality, the following industry groups are combined in Other Non-Manufacturing:
42 — Wholesale Trade;
48, 49 — Transportation and Warehousing Services; and
51 — Information Services.

[3]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.

[4]FTE = Full-time equivalent.

[5]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 Summary of Investment and 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 the attainment of levels; and (2) projects that have not completed a qualification audit, regardless of whether the project may have attained the minimum levels. **Until the Department has completed a qualification audit that confirms the required levels of investment and employment have been met, the project is not eligible for benefits 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 2015. 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 the Department.

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 projects are combined with at least one other industry group to prevent disclosure of confidential information. In the following table, the industry groups are combined as footnoted.

Cumulative through 2015

Category	Number of Applicants Reporting[1]	Expansion of Capital Investment	Increase in New Jobs (FTE)[2]	Estimated Average Wage of New Jobs[3]
MANUFACTURING				
314, 322, 323, 325, 326 — Textile Product Mills, Paper Manufacturing, Printing and Related Support Activities, Chemical Manufacturing, and Plastics and Rubber Products Manufacturing	33	$2,592,887,344	1,374	$60,099
333, 334, 335, 336, 337, 339 — Machinery; Computer and Electronic; Electrical Equipment, Appliance, and Component; Transportation Equipment; Furniture and Related Product; and Miscellanous Product Manufacturing	44	$1,002,376,430	4,302	$40,320
Other Manufacturing[4]: **22, 23, 327 —** Utilities, Construction, and Nonmetallic Mineral Product Manufacturing; **311, 312 —** Food and Beverage Manufacturing; and **321, 331, 332 —** Wood Product, Primary Metal, and Fabricated Metal Product Manufacturing	59	$1,746,704,060	3,151	$37,508
Total Manufacturing	**136**	**$5,341,967,834**	**8,827**	**$42,395**
NON-MANUFACTURING				
52 — Finance & Insurance Services	34	$1,585,973,807	4,184	$50,074
54, 56, 62, 81 — Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services	52	$352,479,451	2,066	$43,577
Other Non-manufacturing[4]: **42 —** Wholesale Trade; **48, 49 —** Transportation and Warehousing Services; and **51 —** Information Services	31	$1,525,468,373	3,043	$50,703
Total Non-Manufacturing	**117**	**$3,463,921,631**	**9,293**	**$48,836**
TOTAL	**253**	**$8,805,889,465**	**18,120**	**$45,698**

[1]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.

[2]FTE = Full-time equivalent.

[3]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.

[4]To maintain confidentiality, the listed industry groups are reported combined.

Nebraska Advantage Act Executive Summary of Project-specific Tax Incentives Information

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

The Executive Summary for the 2015 Nebraska Advantage Act Annual Report includes project-specific information for 41 projects. This is the seventh year that project-specific information has been reported, previous years were:

- 2014 – 30 projects;
- 2013 - 26 projects;
- 2012 - 18 projects;
- 2011 - 15 projects;
- 2010 - 6 projects; and
- 2009 – 3 projects.

The table below reports information on investment growth and new jobs on a cumulative basis for these 41 projects. This means that information is accumulated in the table from the beginning of the project through the end of 2015. These 41 projects have, over the past two years in 2014 and 2015, used tax credits or have had refunds approved in the amount of approximately $85 million.

The details for each of these 41 projects are included on the next table that gives project-specific tax information.

Number of Projects	Growth		Average Compensation		Total Tax Credits Used and Refunds Approved (2014-2015)
	Investment	New Jobs (FTE[1])	Paid in Year of Application	Paid to New FTEs	
41	$3,178,141,616	5,114	$43,239	$48,391	$85,195,165

[1]FTE = Full-Time Equivalent

Nebraska Advantage Act
Project-specific Tax Incentives Information

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

Tax Credits Used and Refunds Approved in 2014 and 2015

In 2015, the report contains specific project information for 41 companies. 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 personal property tax exemption is not included in the report.

The distribution of credits is reported in total when the distribution is made, even if the owners have not used all of the credits received. Recapture payments are not reported.

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.

Project Name	Tax Credits Used and Refunds Approved	Locations
3MV Bancorp	$599,965	Omaha and Papillion
ACI Worldwide, Inc. & Subsidiaries	$2,647,601	Elkhorn and Omaha
American Concrete Products	$443,650	Omaha
Archer Daniels Midland Co.	$3,027,003	Columbus
C & A Industries	$636,181	Lincoln and Omaha
CAMACO, LLC	0	Columbus
Cargill, Inc. & Subs	$378,450	Fremont
Cellco Partnership	$4,142,565	Statewide
Central States Indemnity Co.	$351,581	Bellevue and Omaha
Chief Industries, Inc.	$631,500	Grand Island, Hastings, and Kearney
Columbus Hydraulics Company	$140,006	Columbus
CoSentry Holdings, Inc. & Subsidiaries	$838,426	Bellevue, Omaha, and Papillion
FHR Investments, LP	$2,300,000	Fairmont and Geneva
Fidelity National Financial, Inc. and Subsidiaries	$3,058,086	Omaha

Project Name	Tax Credits Used and Refunds Approved	Locations
Fidelity National Financial, Inc. and Subsidiaries	$3,058,086	Omaha
First National of Nebraska, Inc.	$12,674,228	Alliance, Alma, Beatrice, Bellevue, Elkhorn, Fremont, Gering, Grand Island, Gretna, Kearney, La Vista, Lincoln, Mullen, Norfolk, North Platte, Omaha, Papillion, Scottsbluff, and Wayne
Glass Contractors, Inc.	$41,065	Omaha
Hayneedle, Inc.	$1,823,292	Omaha
Hornady Manufacturing Company	$2,811,652	Alda and Grand Island
Husker Ag, LLC	$2,468,259	Plainview
IPG GIS US, Inc.	$4,066,844	Omaha
Li Cor, Inc.	$621,333	Lincoln
Lindsay Corporation	$837,767	Lindsay and Omaha
M.G. Waldbaum Company	$386,263	Wakefield
Medical Solutions, LLC	$375,567	Omaha
Minden Machine Shop, Inc.	$380,515	Minden
Molex Incorporated	$1,163,248	Lincoln
Monsanto Company	$11,218,104	Gothenburg, Kearney, Stromsburg, and Waco
Mutual of Omaha Insurance Company	$12,286,541	Blair and Omaha
Neogen Corporation	$95,109	Lincoln
PayFlex Systems USA, Inc.	0	Omaha
PayPal, Inc.	$1,141,064	Bellevue and La Vista
Pharmaceutical Technologies, Inc.	$2,465,473	Bellevue and Omaha
Professional Research Consultants, Inc.	$1,188,825	Omaha
Rotella's Italian Bakery	$1,252,067	La Vista
Sandhills Publishing Company	$1,374,150	Lincoln
Sergeant's Pet Care Products, Inc.	$1,046,251	Omaha
SII Acquisition, Inc. & Subsidiary	$40,981	Lincoln
Silverstone Holdings, Inc.	$1,609,626	Omaha
TD Ameritrade Holding Corporation	$4,005,080	Bellevue and Omaha
TELCOR, Inc.	$396,574	Lincoln
VKGS, LLC	$230,273	Omaha
Total Tax Credits Used and Refunds Approved	**$85,195,165**	

Nebraska Advantage Act
Projected Revenue Gains and (Losses) for Tax Years 2016-2025

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

The Nebraska Department of Revenue (Department), Research Section, for the Nebraska Advantage Act (Act) 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 taxes;
- Tax credits used for income tax withholding;
- Tax credits recaptured; and
- Tax credits that will expire.

The report also measures the potential revenue gains (losses) under the Act and the 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 the Department 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 several sources of data to produce the projection of tax credits and refunds. Although the Act is a relatively new tax incentive program, the Act has several years of data, which is being used to analyze the patterns of how companies earned and used tax credits. Consequently, the Department estimates the annual amount of tax credits earned and used using historical data from the Act, coupled with historical data from the Employment and Investment Growth Act (LB 775) and a regression model that uses macroeconomic variables.

To project the total amount of tax credits earned, and direct sales and use tax refunds, the Department utilizes some historical patterns of tax credits earned by companies under the Act. However, the erratic nature of tax credit use by companies during the first several years of the Act limits the Department's ability to exclusively rely on Act data to forecast future tax credits. Consequently, a regression model, which relies on U.S. macroeconomic forecasts from IHS Economics, was used to estimate the total amount of tax credits earned and refunds granted. After projecting the total amount of earned tax credits, the Department allocated the projected total tax credits earned into investment credits and compensation credits based on historical Act data.

Examining the allocation of tax credits used between income tax liabilities and sales and use tax liabilities, the Department investigated the patterns of how the companies in each tier used their credits. The Department then used the patterns determined for each tier to establish the parameters. Most of the parameters were estimated using Act data from 2010 to 2015 — a period in which the program had progressively matured and the economy was, overall, in a stable condition. Using these parameters, the Department estimated the amounts of tax credits used for corporation income tax refunds, individual income tax liability, and sales and use tax refunds over the next ten years.

Using the correlation between compensation credits and income tax withholding, the Department estimated the amount of tax credits used for income tax withholding over the next ten years. The Department however does not have enough historical data from the Act to produce reliable parameters to estimate the amount of recaptured and expired tax credits. Consequently, the Department utilized data from LB 775 and assumed similar timing patterns in the amount of tax credits that companies allow to expire. The Department also used LB 775 to estimate the amount of recaptured tax credits.

Based on projected amount of earned and used tax credits, the table also presents tax credit balances and cumulative tax credit balances. The Department 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 boosting 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 forecasted value of the amount of total tax credits earned and total tax credits used, along with refunds under the Act. The forecasted values for tax credits earned and tax credits used are listed in the table below.

To analyze the fiscal impact of tax incentive programs, the dynamic Tax Revenue Analysis in Nebraska[1] (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 Department's economists to deliver more informative results.

The critical assumption when constructing a CGE model is that the economy is in equilibrium at the beginning of the period. Therefore, 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. The impact inputs for the model are the projected tax credits earned and direct sales and use tax refunds by companies in the tax incentive program.

The table below shows estimated revenue gains generated by new investment and employment over ten years. Since TRAIN simulated dynamic impact of investment, the revenue gains presented reflect the cumulative impact of the Act. The table also shows the net 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 net number of new jobs created as a 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..

[1]A more detailed description of the TRAIN model is available on the Department's website.

Fiscal Analysis of the Nebraska Advantage Act

Summary	2015[1]	2016	2017	2018	2019	2020
Revenue Generated by Increase in Economic Activities Due to the Act	-----	$69,108,085	$81,463,411	$89,793,944	$93,259,818	$97,514,966
Tax Credits Used:						
Individual Income Tax	6,070,375	6,425,688	7,035,477	9,197,789	9,359,154	9,829,556
Corporation Income Tax	14,515,008	26,119,874	28,598,611	37,388,225	38,044,160	39,956,305
Subtotal Income Tax	**20,585,383**	**32,545,562**	**35,634,088**	**46,586,013**	**47,403,314**	**49,785,862**
Sales and Use Tax	14,626,402	8,244,934	9,027,366	11,801,874	12,008,925	12,612,508
Income Tax Withholding	18,511,813	29,772,326	31,994,000	36,503,677	40,181,177	43,623,735
Total Tax Credit Used	**$53,723,598**	**$70,562,822**	**$76,655,454**	**$94,891,564**	**$99,593,417**	**$106,022,105**
Direct Sales and Use Tax Refunds	$32,588,731	$42,186,349	$47,917,592	$58,381,314	$62,290,731	$65,336,439
Revenue Gain (Loss)	-----	($43,641,087)	($43,109,636)	($63,478,935)	($68,624,330)	($73,843,578)
Cumulative Revenue Gain (Loss)	-----	($251,663,483)	($294,773,119)	($358,252,053)	($426,876,383)	($500,719,961)
Tax Credits Earned:						
Investment Credits	66,468,444	106,945,300	117,094,251	153,082,475	155,768,140	163,597,234
Compensation Credits	18,338,492	36,364,320	39,815,240	52,052,218	52,965,417	55,627,523
Total Tax Credit Earned	**$84,806,936**	**$143,309,620**	**$156,909,490**	**$205,134,693**	**$208,733,557**	**$219,224,756**
Tax Credits Recapture Repaid	1,143,663	218,660	305,347	394,489	475,728	543,825
Tax Credits Expired	0	0	0	458,922	1,072,462	11,812,674
Tax Credits Balance	29,939,675	72,528,138	79,948,689	109,389,717	107,591,951	100,846,153
Cumulative Tax Credit Balance	**$397,387,170**	**$469,915,307**	**$549,863,996**	**$659,253,713**	**$766,845,664**	**$867,691,817**
Estimated Employment						
Estimated New Jobs for Qualifying Tax Credits	1,375	2,674	2,927	3,827	3,894	4,090
Estimated Net Job Increase (Decrease)	-----	1,143	1,535	2,027	2,393	2,844
Estimated Qualifying Investment	$833,166,050	$1,253,365,567	$1,372,308,100	$1,794,078,865	$1,825,554,024	$1,917,308,560

Summary	2021	2022	2023	2024	2025
Revenue Generated by Increase in Economic Activities Due to the Act	$101,603,900	$106,230,357	$110,356,794	$115,899,239	$122,530,176
Tax Credits Used:					
Individual Income Tax	10,041,333	10,396,260	10,554,631	11,041,932	11,733,794
Corporation Income Tax	40,817,158	42,259,909	42,903,670	44,884,508	47,696,870
Subtotal Income Tax	**50,858,491**	**52,656,170**	**53,458,301**	**55,926,440**	**59,430,664**
Sales and Use Tax	12,884,243	13,339,658	13,542,866	14,168,132	15,055,875
Income Tax Withholding	46,553,621	49,275,861	51,584,800	54,000,653	56,760,611
Total Tax Credit Used	**$110,296,354**	**$115,271,689**	**$118,585,966**	**$124,095,225**	**$131,247,150**
Direct Sales and Use Tax Refunds	$68,708,807	$72,106,246	$76,157,961	$80,250,286	$84,571,254
Revenue Gain (Loss)	($77,401,261)	($81,147,578)	($84,387,133)	($88,446,272)	($93,288,227)
Cumulative Revenue Gain (Loss)	($578,121,222)	($659,268,800)	($743,655,933)	($832,102,205)	($925,390,432)
Tax Credits Earned:					
Investment Credits	167,121,913	173,029,117	175,664,934	183,775,284	195,290,226
Compensation Credits	56,826,010	58,834,620	59,730,870	62,488,611	66,404,005
Total Tax Credit Earned	**$223,947,923**	**$231,863,738**	**$235,395,804**	**$246,263,895**	**$261,694,231**
Tax Credits Recapture Repaid	562,339	582,331	598,939	613,981	632,903
Tax Credits Expired	7,097,155	28,879,569	11,500,864	9,965,326	10,142,836
Tax Credits Balance	105,992,074	87,130,149	104,710,035	111,589,362	119,671,342
Cumulative Tax Credit Balance	**$973,683,892**	**$1,060,814,041**	**$1,165,524,075**	**$1,277,113,438**	**$1,396,784,780**
Estimated Employment					
Estimated New Jobs for Qualifying Tax Credits	4,178	4,326	4,391	4,594	4,882
Estimated Net Job Increase (Decrease)	3,120	3,358	3,519	3,605	4,159
Estimated Qualifying Investment	$1,958,616,699	$2,027,847,292	$2,058,738,241	$2,153,789,023	$2,288,740,549

[1]Figures for 2015 are actual amounts.

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.

The review of the tax incentive programs in other states is as of March 1, 2016. The Department makes every effort to review the current incentive information from other states; however, the Department is not liable for any of the information in this section used for private or public purposes.

Number of states which grant tax credits and exemptions

- **Job credit:** 38 states
- **Investment credit:** 30 states
- **Sales/use tax refund on qualified investment:** 20 states
- **Personal property tax abatement:** 21 states

Alabama

Job credit: Income Tax Capital Credit

- 50 new employees at headquarters and tourism attractions not in favored geographic regions
- 20 new employees at industrial, warehousing, or research activity projects, data processing centers, R & D facilities, renewable energy projects, utility-owned projects, and tourism destination projects in favored geographic areas
- 15 new employees at small business addition projects
- 5 new employees at projects in favored geographic regions, except headquarters facilities, warehousing, and tourism destination projects
- Employee hires are subject to base wage requirements

Investment credit: Income Tax Capital Credit

- $100 million for utility-owned projects producing electricity from alternative energy resources

- $20 million for tourism destination attractions not located in geographically favored regions
- $5 million for utility-owned projects producing electricity from hydropower and tourism destination attractions in favored geographic regions
- $2 million for all projects except utility-owned small business additions and projects in favored geographic regions
- $1 million for small business addition projects
- $500,000 for projects in favored geographic regions except headquarters facilities, warehousing, and tourism

Sales/use tax refund on qualified investment:

- There is no threshold or limiting investment for a new sales tax abatement project with the exception of warehousing projects and projects owned by utilities producing electricity, which are subject to the following thresholds —
    - $100 million in capital costs for facilities producing electricity from alternative energy sources
    - $5 million in capital costs for facilities producing electricity from hydropower
    - $1 million for warehousing projects in favored geographic areas, $5 million elsewhere
- 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
    - $2 million

Personal property tax abatement: Subject to the same qualifications as the sales tax abatement program

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Alaska

Job credit: None

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

Arizona

Job and investment credit:

Quality Jobs

- In metro areas, at least 25 jobs must be created with a minimum capital investment of $5 million
- In rural areas, at least 5 jobs must be created with a minimum capital investment of $1 million
- Both programs require the jobs to pay 100% of the median county wage and 65% of health insurance costs for the employee

Qualified Facility

- Firm must make capital investment to establish or expand facility that devotes at least 80% of its space and payroll to manufacturing, R&D, or headquarters functions

- Must create net new jobs of which at least 51% are paid 125% of the state's median wage
- Offers to pay at least 80% of health insurance premiums for all new net full-time employment

Sales/use tax refund on qualified investment: Firms eligible for the Computer Data Center Credit can get an exemption from the Transaction Business Tax when investing between $50 million and $250 million in a data center, depending on location

Personal property tax abatement: None

Arkansas

Job credit: Advantage Arkansas Income Tax Credit

Credit on 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 Arkansas 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

- Investment of $100,000 qualifies for sales and use tax for building materials and taxable machinery and equipment associated with approved project

InvestArk

- Investment of $5 million at a single location in plant or equipment for new construction, expansion, or modernization established for at least two years to qualify for sales and use tax refund
- Must be in specified industry as listed

Personal property tax abatement: None

California

Job credit: The California Competes Tax Credit is based on the number of jobs created, amount invested, the extent of poverty in the area, and a number of other factors.

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

Colorado

Job credit: Job Growth Incentive Tax Credit available for businesses creating at least 20 new jobs with wages 110% of county average

Investment credit: None

Sales/use tax refund on qualified investment: A refund of sales and use tax available for purchases of qualified biotechnology research and development equipment

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 CT
- 5% credit for fixed capital investment in tangible personal property

Sales/use tax refund on qualified investment: None

Personal property tax abatement: A property tax credit is available for 100% of the personal property tax owed on electronic data processing equipment

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Delaware

Job and investment credit:

- New Economy Jobs Program – Employers can obtain up to 65% rebate on income tax withholding when adding at least 50 net new jobs with each having a minimum annual salary of $100,000
- The Job Creation Tax Credit – 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

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

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

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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
- The High Impact Performance Incentive Tax Credit is targeted toward clean energy, corporate headquarters, financial services, life sciences, semiconductor, and financial services sectors. Firms must create at least 50 new jobs and invest at least $50 million in capital investment. R&D firms must create 25 new jobs and invest $25 million

Sales/use tax refund on qualified investment: Included in Qualified Target Industry incentive

Personal property tax abatement: None

Georgia

Job credit:

- Firms creating jobs in specific industries can earn the Job 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, 20 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 50 jobs to qualify

Investment credit:

- Firms making qualified capital investments of at least $50,000 may qualify for an Investment Tax Credit
- The size of credit depends on location by favored region and type of investment. Credits are applied to corporate income tax
- The Optional Investment Tax Credits offer credits for firms in favored regions —
    - Tier 1: $5 million investment, 10% credit;
    - Tier 2: $10 million investment, 8% credit; and
    - Tier 3 or 4: $20 million investment, 6% credit
- A Mega Project Tax Credit is available to firms with a minimum payroll of $150 million or makes a minimum investment of $450 million, and hires 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

Hawaii

Job credit: None

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: Personal property not taxed

Idaho

Job credit: Businesses that hire new employees to fill newly-created positions may qualify for up to $3,000 for each new job created

Investment credit:

- Idaho Business Advantage: $500,000 investment in new facilities and create at least 10 new jobs paying an average of $40,000 annually
- 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: Up to a 25% rebate on sales taxes paid on construction materials for new facilities

Personal property tax abatement:

- In lieu of an investment tax credit, a two year exemption from property tax on qualified personal property is available only if a loss was incurred in the second preceding tax year in which the property was placed in service

- County commissioners may authorize a full or partial property tax exemption when qualifying firms invest at least $3 million
- Large Business Property Tax Exemption – Businesses that invest at least $1 billion in capital improvements will receive a property tax exemption on all property in excess of $400 million in value per year
- Businesses that employ at least 1,500 people within an Idaho county may receive a property tax exemption on property values in excess of $800 million

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Illinois

Job and investment credit:

- The EDGE Program allows tax credits to firms who agree to make an investment of at least $5 million and create at least 25 jobs
    - For a company with 100 or fewer employees, the company must agree to make a capital investment of $1 million or create at least 5 full-time jobs 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
    - Limited to coal mining, electrical generation, pollution control facilities, and wind energy production

Sales/use tax refund on qualified investment: Can be rewarded as part of the High-Impact Business Tax Credit

Personal property tax abatement: None

Indiana

Job credit:

- The Headquarters Relocation Tax Credit allows a credit against state income tax liability for costs incurred in relocating the headquarters
- Annual worldwide revenue must be at least $50 million, and the corporation must have at least 75 employees in Indiana

Investment credit:

- The Hoosier Business Investment Tax Credit provides a credit against income tax based on an analysis of the economic benefits of the proposed investment and applicant must demonstrate net new jobs added
- The Economic Development for a Growing Economy Tax Credit provides tax credits for hires 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.

Investment credit:

- Refer to investment thresholds in High Quality Jobs Program
- 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 with $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 and 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 urban counties and $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 and invest a minimum of $100,000, and new jobs are subject to wage and benefit requirements
- The Kentucky Small Business Investment 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
- The Kentucky Reinvestment Act provides tax credits to firms 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 and the incentives for Energy Independence Act for energy production facilities with minimum investments ranging from $1 million to $100 million, depending on the energy source

Personal property tax abatement: None

Louisiana

Job credit: The Quality Jobs Program

- Must meet a minimum annual payroll threshold of $250,000 for firms with less than 50 employees
- Otherwise, employer must create a minimum of 5 net new jobs within 24 months of project start date
- Firms with 50 or more employees must meet a minimum annual payroll threshold of $500,000
- Reward is a cash rebate of 5% or 6% of annual gross payroll for up to 10 years
- Must be in favored industry, distressed region, or have 50% of sales out-of-state

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: The Industrial Tax Exemption allows a property tax exemption for industries in certain NAICS codes who engage in new capital investments in the state

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Maine

Job and investment credit: The Jobs and Investment Tax Credit allows employers who invest $5 million and create 100 new jobs within two years to obtain up to $500,000 in tax credits to offset income tax liability

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

Maryland

Job credit:

- The Job Creation Tax Credit provides a $1,000 per-job tax credit to businesses that create new jobs, and $1,500 to businesses creating jobs in economically-distressed areas
- They must create at least 60 full-time jobs within 24 months, or 25 jobs in distressed areas
- The business must be in a specified industry

Investment credit: The Biotechnology Tax Credit is allowed to individuals or entities that invest at least $25,000 in a qualified Maryland biotechnology company

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

Massachusetts

Job credit:

- The Economic Development Incentive Program offers tax credits under the following programs –
  - Enhanced Expansion Projects require at least 100 new full time jobs retained for 5 years with substantial capital investment
  - The Job Creation Project requires firms to create at least 100 new full time jobs retained for 5 years
  - The Manufacturing Retention Project requires at least 25 new manufacturing jobs and/or at least 50 new full-time jobs retained for 5 years in a gateway community.

Investment credit: See above

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

Michigan

Job credit: None. Michigan reformed its tax incentive programs to eliminate job and investment targets

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

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% thereafter in excess of $2 million

Sales/use tax refund on qualified investment: Greater MN Job Expansion Program allows sales tax refunds on the purchase of qualified equipment if employment is increased 10%, compensation requirements are met, and participate in a traded sector.

Firms that invest $30 million in the first four years of a data center's operation 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 for firms in certain industries who create jobs in certain regions of the state —
    - In Tier 1, 20 or more jobs must be created, and credit is 2.5% of payroll
    - In Tier 2, 15 or more jobs must be created, and credit is 5% of payroll
    - In Tier 3, 10 or more jobs must be created, and credit is 10% of payroll
    - Credit can offset up to 50% of state income tax liability
- 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 that creates 25 new fulltime 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 —

- Aerospace industries that create at least 100 full time jobs and invest at least $30 million
- Data centers involving 50 new jobs, $50 million in investment, with jobs paying 150% 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: The Industrial Property Tax Exemption 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 – 10 jobs at 90% county average wage, 100 jobs at 120% average county wage, and 100 jobs at 140% average county wage

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 500 jobs, or 200 new jobs for an “office industry” in a distressed location

Sales/use tax refund on qualified investment: Yes, non-manufacturing property purchased through Chapter 100 bonds is exempt from tax

Personal property tax abatement: None

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: Listed here

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

Personal property tax abatement: See details here. To qualify, a firm must complete two of the three requirements: $5 million investment for industrial or manufacturing facilities or $1 million investment for any other facility; 50 jobs created in urban areas or 10 in rural areas; and certain wage requirements must be met

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New Hampshire

Job credit: None (Coos County Job Creation Tax Credit only)

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

New Jersey

Job credit: None

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

New Mexico

Job credit:

- High Wage Jobs Tax Credit is a 10% credit is available for employers who create jobs that pay at least $60,000 in metro areas and $40,000 in rural areas
- The wage thresholds are effective July 1, 2015

Investment credit: New Mexico Investment Tax Credit has no minimum investment threshold specified

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:

- With the Investment Tax Credit, businesses that create new jobs and make new investments in production property and equipment may qualify for tax credits of up to 10% of the original investment. A 9% corporate income tax credit is also available for investments in R&D facilities.
- There are no specified thresholds.

Sales/use tax refund on qualified investment: None

Personal property tax abatement: Personal property not taxed

North Carolina

Job and investment credit:

- The Job Development Investment Grants are available for firms creating opportunities and net increases in employment with no specified minimum threshold for investment or employment

- The Technology Development Tax Credit allows a credit equal to a percentage of qualified research expenses
- 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 320 employees if in a Tier 2 county

Sales/use tax refund on qualified investment: Sales and use tax discounts and refunds are available for specific purchases listed here

Personal property tax abatement: None

North Dakota

Job credit: None

Investment credit:

- The Agricultural Commodity Processing Facility Investment Credit allows for a 30% credit on investment in equipment, property, etc.
- The Wage and Salary Credit allows for a tax credit equal to a percentage of wages and salaries paid based on the number of years the firm has been in business

Sales/use tax refund on qualified investment: None

Personal property tax abatement: Personal property not taxed

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: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

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 to $1.5 million is available for food processors and R&D projects
    - Payroll threshold is eliminated for projects building on former Superfund sites
    - The Small Employer Program allows small businesses with 90 or fewer employees to receive a 5% cash back incentive for seven years

- 21st Century Quality Jobs requires the creation of 10 jobs that pay $94,000 or higher, depending on the county
- Both programs require minimum wage and health coverage requirements

Investment credit:

- The Investment/New Jobs Credit Package allows qualifying firms to choose the tax credit based on level of investment or new employees
- Credit doubles in enterprise zones or if investment exceeds $40 million
- Minimum investment is $50,000

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

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

Investment credit: None

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

Personal property tax abatement:

- Unfinished improvements to facilities may qualify for local property tax abatements
- The Strategic Investment Program exempts a portion of large capital investments from property taxes

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Pennsylvania

Job credit: The Job Creation Tax Credit allows for 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%

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

Rhode Island

Job credit: The Corporate Income Tax Reduction for Job Creation provides an incremental reduction in the corporate income tax rate that creates new employment:

- 0.20% for every 10 new jobs created for companies with fewer than 100 employees; and
- 0.20% for every 50 new jobs created for companies with more than 100 employees

Investment credit: Depends on the NAICS code of the business; no minimum threshold specified (High Performance Manufacturing Investment Tax Credit Investment Tax Credit for Non-manufacturing Firms)

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

South Carolina

Job credit: Unless a member of a particular NAICS industry, firms must create:

- 175 jobs at a single location;
- 100 jobs where average compensation is 1.5 times county or state average, whichever is lower;
- 50 jobs where average compensation is 2 times county or state average, whichever is lower; or
- 25 jobs at a single location where average cash compensation for jobs is 2.5 times county or state average, whichever is lower

To qualify for the Corporate Headquarters Tax Credit, a firm must hire 40 employees, and a personal property exemption for firms that create 75 headquarters jobs paying double the state per capita income.

Investment credit: Manufacturers locating or expanding in South Carolina may take a one-time credit when production equipment is purchased

Sales/use tax refund on qualified investment: Construction materials and 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

South Dakota

Job credit: None

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: Personal property not taxed

Tennessee

Job credit: The Jobs Tax Credit allows a qualified business tax credits based on the number of jobs created in certain industries:

- $112,500 credit for 25 jobs
- $450,000 credit for 100 jobs
- $2,250,000 credit for 500 jobs
- $4,495,000 credit for 999 jobs
- $4,500,000 credit for 1,000 jobs

Also, the Integrated Supplier and Integrated Customer Tax Credit is extended to qualified businesses who invest $1 billion and create at least 500 jobs.

Investment credit: Industrial machinery purchases can earn the following tax credits:

- Less than $100 million — 1%
- $100 million — 3%
- $250 million — 5%
- $500 million — 7%
- $1 billion — 10%

Sales/use tax refund on qualified investment: Available to businesses who make a minimum capital investment of $100 million and at least 50 new jobs paying 150% of Tennessee's average occupational wage

Personal property tax abatement: None

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: The Texas Economic Development Act provides for a limitation in taxable value who agree to build or install property and create jobs. Pollution control equipment is also eligible for exemption

Utah

Job credit:

- The Industrial Assistance Fund requires firms to create at least 50 jobs in urban counties and pay 125% or urban county average wage or 100% of the rural county average wage
- Approval from local economic development authorities is required

Investment credit: Investment Tax Credit available for taxpayers purchasing a qualified interest in an eligible firm

Sales/use tax refund on qualified investment: None

Personal property tax abatement: None

Vermont

Job credit: Vermont Employment Growth Incentive Program

- Full-time jobs created and paid 160% of Vermont minimum wage
- No limitations due to size, sector, or type of business that may apply
- 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

Virginia

Job credit:

- The Major Business Facility Job Tax Credit (p. 4) allows qualified companies locating or expanding in VA to receive a $1,000-per-job tax credit for each new full-time job created
- Enterprise zones must meet 25-job threshold, other areas have a 50-job threshold

Investment credit:

- The Governor's Opportunity Fund (p. 21) can be made available in highly competitive situations and requires minimum capital investment, job creation, and wage requirements with matching commitment from municipality
- Virginia Investment Partnership Grant (p. 22) is available for firms making at least $25 million in investment and maintaining stable employment levels
- Major Eligible Employer Grant (p. 22) available for firms investing at least $100 million and create at least 1,000 new jobs

- Virginia Economic Development Incentive Grant (p. 23) available for firms who create 400 jobs paying at least 50% greater than local wage, or 300 jobs at double the local wage, in small metro areas, or 200 jobs elsewhere and make a capital investment of at least $5 million, or $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. 7)

Washington

Job credit: Firms in specific industries can receive a credit against business and occupation taxes when increasing in-state employment by 15%

Investment credit: None

Sales/use tax refund on qualified investment: Refunds available for materials used in aluminum smelters, cold storage, and construction materials for food manufacturing facilities

Personal property tax abatement: Available for aluminum smelting industry

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West Virginia

Job credit:

- The High-Tech Manufacturing credit allows firms that manufacture computers and components that 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 that state and creates 15 new jobs including the relocated employees
- The Economic Opportunity Credit allows a credit 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

Wisconsin

Job credit: The Job Creation Deduction allows firms to subtract from federal income a number based on the increase in the number of FTE employees equal to $2,000 per eligible employee for businesses with gross receipts greater than $5 million and $4,000 per eligible employee with gross receipts less than $5 million. Also, a Jobs Tax Credit is available for those who are or intend to operate a business in Wisconsin which is capped at 10% of wages and training costs.

Investment credit: None

Sales/use tax refund on qualified investment: None

Personal property tax abatement: Firms must get state approval for M&E exemption – must be classified as a manufacturing firm

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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 infrastructure investment and $2 million in data center equipment purchases expands the sales tax exemption at this level to include computer equipment, uninterruptible power supplies, backup power, specialized heating, air purifying equipment, and air conditioning

Personal property tax abatement: None

Reporting Requirements

Summary Description

Summary of Qualified Activity

Project-specific Benefits Approved

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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, see the Department's website. 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.

Rural Development Act Available Funds and Requested Benefits

Year Ending	Number of Applicants	Total Requested Benefits	Statutory Limit on Benefits
12/31/2015	**8**	**$935,500**	**$1,000,000**
12/31/2014	7	$1,000,000	$1,000,000
12/31/2013	2	1,000,000	1,000,000
12/31/2012	6	1,000,000	1,000,000
12/31/2011	7	2,412,750	4,000,000
12/31/2010	11	829,750	4,000,000
6/30/2010	10	1,271,854	4,000,000
6/30/2009	34	3,000,000	3,000,000
6/30/2008	34	3,000,000	3,000,000
6/30/2007	15	1,555,250	3,000,000
6/30/2006	15	2,086,000	2,500,000
6/30/2005	12	713,000	2,500,000

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, see the website.

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, see the website.

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 the Livestock Modernization taxpayer reaches and maintains the required level of investment, it is eligible to earn credits at 10% of investment. Each project is limited to a maximum of $30,000 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.

Nebraska Advantage
Rural Development Act
Summary of Qualified Activity

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

Rural Development Business Activity Approved in 2015

Project Number	FTEs[1]	Investment
1	4	$19,527,293
2	3	14,088,226
3	7	549,265
4	0	303,852
5	0	235,471
6	0	122,127
Totals	**14**	**$34,826,234**

FTE=Full Time Equivalent

Rural Development Qualifying Activity through 2015

Year	FTEs[1]	Investment	Tax Credits Earned	Tax Credits Used, Net of Recapture[2]
2014 & 2015[3]	14	$34,943,915	$1,748,246	$359,582
2013	4	18,834,640	---[3]	1,005,040
2012	5	2,064,523	185,025	223,800
2011	20	3,537,625	271,116	818,043
2010	32	39,801,633	1,855,335	1,072,976
2009	90	28,288,702	1,680,536	1,859,036
2008 & Before	132	16,754,580	1,201,047	996,547
Total	**297**	**$144,225,618**	**$6,941,305**	**$6,335,024**

[1]FTE = Full Time Equivalent
[2]To maintain confidentiality, recaptured tax credits are not separately stated.
[3]Tax credits were earned and used, however, to maintain confidentiality they are reported combined with 2014.

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 2015

Project Name	Tax Credits Used and Refunds Approved	Location
Harry L. Knobbe	$17,750	West Point
Keith Pillen	20,000	Platte Center
South Central Feeders, Inc.	7,351	Bertrand
Total	**$45,101**	

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Reporting Requirements

Summary Description

Analysis

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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, which is located in a distressed area, 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 in the distressed area;
- The nature of the applicant's engagement in the microbusiness; and
- Other documents required by the Department.

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

Applications requesting up to $2 million may be authorized for 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

The microbusiness must be located at a site which meets the statutory requirements related to population decline or per capita income level. For more specific information on whether a location is eligible for a new application, see the Department’s website.

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
2015	$8,924,684	$7,945,685	$1,289,038
2014[1]	11,077,439	12,852,599	1,553,529
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
Total	**$134,587,994**	**$104,628,487**	**$17,553,524**

[1]Adjustment for prior year amendments.

Business Activity through 2015

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 2015 for applications filed in 2015.

Application Year	Actual Investment	Actual Compensation	Tax Credits Used	Tax Credits Expired
2014	$5,031,452	$4,262,476	$699,366	$9,829
2013[1]	6,761,263	8,791,529	802,387	7,484
2012[1]	6,723,225	11,110,271	1,370,772	22,862
2011[1]	9,297,021	11,394,261	1,384,215	32,721
2010	8,701,083	11,195,148	1,480,169	600,438
2009[1]	8,550,192	9,851,399	1,093,544	704,917
2008	31,605,604	7,201,292	1,635,372	291,030
2007	17,529,894	3,846,107	1,724,078	221,576
2006	16,325,229	15,065,667	1,849,386	127,579
Total	**$110,524,963**	**$82,718,150**	**$12,039,289**	**$2,008,607**

[1]Reporting updated from prior annual report due to amended returns and audits.

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Reporting Requirements

Summary Description

Summary of Benefits Approved

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Nebraska Advantage Research and Development Act Reporting Requirements

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

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, which 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

When the research and development credit started in 2006, the credit was available to a business firm for four years after the first year it was claimed. For tax years beginning on or after January 1, 2012, a business firm can claim the research and development credit for 20 tax years immediately following the first tax year since 2006 that the research and development credit was claimed. For certain business firms, there may be one or more tax years between the end of the first five years and the tax year beginning on or after January 1, 2012 for which the business firm will not be able to earn research and development credit.

Tax Year 2006. A business firm which incurs research and development expenditures, as defined in § 174 of the Internal Revenue Code (I.R.C.), may claim a tax credit equal to 3% of the increase in Nebraska research and development expenditures in the current year, as compared to the average of the expenditures in the two years prior to first claiming the tax credit.

Tax Years 2007 and 2008. A business firm which incurs research and development expenditures, as defined in § 174 of the I.R.C., may claim a credit equal to 15% of the federal tax credit allowed.

Tax Years 2009 and Later. A business firm which incurs research and development expenditures, as defined in § 174 of the I.R.C., may claim the enhanced research credit of 35% for research activity on the campus of a college or university in Nebraska, and a credit equal to 15% of the federal tax credit allowed for activities that are not on-campus.

For credits claimed in a tax year beginning on or after January 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. § 77-5808.

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
2015	$3,605,247	$0
2014	4,461,429[1]	0
2013	2,485,310[1]	0
2012	2,712,203	0
2011	2,363,525	0
2010	4,074,589	0
2009	2,235,956	0
2008	2,106,028	0
2007	64,166	0
2006	0	0
Total	**$24,108,453**	**$0**

[1]Correction to previous annual report due to amended returns and audits.

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Reporting Requirements

Summary Description

Agreements Still in Effect

Summary of Qualified Project Activity

Industry Group Detail:

- **Industry Sector Codes, Application Option of Projects with Active Signed Agreements, and Qualified Projects by Industry**
- **Qualified Project Activity by Industry, 2015 and Cumulative through 2015**
- **Analysis of Sales and Use Tax Refunds - Approved Refunds Net of Recapture, by Year and Cumulatively**

Estimate of Personal Property Value Exempted, 2015 and Cumulative through 2015

Projected Revenue Gains and (Losses) for Tax Years 2016-2025

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Employment and 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

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, see the Department's website. There are three options that have varying requirements for investment and employment and for benefits.

Application Information

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

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. 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 used at the project. Qualified property does not include aircraft, barges, motor vehicles, railroad rolling stock, watercraft, or property rented to another person.

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**
- **$3 Million in Investment and 30 FTE Employees.**
- **$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.

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.

See the website to view sample time lines.

Description of Benefits:

Benefits by Application Level

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

Direct Refund

A direct refund is the 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 or entitlement periods. The credit on qualified property placed in service, from date of application through the end of the tax year in which 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 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

A taxpayer 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 filing of the application. 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 filing of the application.

Sales and Use Tax Refund

This is 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 in the same ratio 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	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Abengoa Bioenergy US Holding, Inc.	Ravenna	10	100	2006
ADT Security Services, Inc.	Omaha and Papillion	12.2	400	2003
Airlite Plastics Company	Omaha	69.6	30	2006
Allo Communications, LLC	Imperial and western Nebraska communities	16.3	105	2006
American Laboratories, Inc.	Omaha	3	30	1995
American Title, Inc.	Omaha and Bellevue	11.8	280	2005
Applied Underwriters, Inc.	Omaha	3.3	50	2003
Bank Of The West	Omaha	20	0	2007
Becton Dickinson & Company	Columbus, Holdrege, Broken Bow, and Richland	145	287	2001
Beef Products, Inc.	South Sioux City and Dakota City	72.1	175	2006
Behlen Mfg. Co.	Columbus	12.7	100	2006
Blue Cross & Blue Shield of Nebraska & Subs.	Omaha, Lincoln, and Grand Island	13.4	100	2006
BMS Management, Inc.	Lincoln	10	100	2006
C & A Industries, Inc.	Omaha	4.6	35	2003
C S Precision Manufacturing, Inc.	Gering	7	33	2000
Cabela's, Inc.	Sidney, Kearney, Lincoln, North Platte, Grand Island, Central City, Bellevue, La Vista, and Papillion	18.8	1,100	2004
Carneco Foods, LLC	Columbus	16	100	1995
Cintas Corporation No. 2	Omaha	5.6	120	2002
Claas North America Holdings, Inc.	Omaha	60	502	1998
Clarcor, Inc.	Kearney	20.1	100	2007
ConAgra Foods, Inc.	Omaha	10	100	2004
ConAgra Foods, Inc.	Hastings	45	30	2007
Cornhusker Energy Lexington, LLC	Lexington and Omaha	47	100	2007
Coxcom, Inc.	Omaha	3	30	1997
Crete Carrier Corporation	Lincoln, Omaha, Bellevue, North Platte, and York	10	100	2007
CRWS, Inc. & Subs.	Omaha	3	30	1998
CSG Systems International, Inc.	Omaha	57	155	2007
Distefano Tool & Manufacturing Co.	Omaha	3.2	35	1997
Duncan Aviation, Inc.	Lincoln	20.2	100	2007
Eagle Capital Group, Inc.	Hastings	3.6	30	2002
EFJ, Inc.	Lincoln	10	100	1993
Election Systems & Software, Inc.	Omaha	6.7	41	2007
Elster American Meter Company	Nebraska City and Plattsmouth	16.5	50	2002
Exmark Manufacturing Company, Inc.	Beatrice and Lincoln	3	30	2006
Farmers & Merchants Investment, Inc.	Statewide	12	100	2003
Farmland Foods, Inc.	Crete	11.7	100	2002
Farmland Foods, Inc.	Crete	10	100	2005

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Financial Brokerage Holdings, Inc.	Omaha	3	30	1999
First Data Corporation	Omaha and Lincoln	10	100	1994
First Data Corporation	Omaha and Lincoln	20	0	2006
First National of Nebraska, Inc.	Omaha, David City, Columbus, Norfolk, Alliance, Chadron, Gering, Scottsbluff, North Platte, Fremont, Kearney, Lincoln, Broken Bow, Grand Island, Gretna, Papillion, Beatrice, Bellevue, Bloomfield, Hemingford, Lexington, and Wayne	258.6	100	2002
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
Gallup Organization	Omaha, Lincoln, and Bellevue	66.2	150	2006
Gibraltar Packaging Group, Inc.	Hastings	10	100	2006
Global Industries, Inc.	Grand Island	10	100	2006
Gordman's, Inc.	Omaha	10	100	2001
Grand Island Accessories, Inc.	Grand Island	3.5	37	2000
Green Plains Renewable Energy, Inc.	Central City	10	100	2005
HDM Corporation	Omaha	3.4	269	2001
HMN, Inc.	Fremont	8.6	30	2006
Hughes Brothers, Inc.	Seward	5.3	30	2000
Infocrossing	Omaha	65	0	2006
Information Technology, Inc.	Lincoln	3.5	30	2003
Innovative Grain Technologies	Lincoln	15	120	2001
Jack Henry & Associates, Inc.	Omaha	10	100	2001
Jacobson Land and Cattle Company	Lincoln	10	100	2003
James Skinner Company	Omaha	10.6	110	2001
JBS USA, Inc. & Subsidiaries	Grand Island	21	100	2002
KAAPA Ethanol, LLC	Kearney, Minden, and Elm Creek	95	100	2005
Kawasaki Motors Mfg. Corp.	Lincoln	50	80	2001
Kellogg Company	Omaha	20	0	2006
Level 3 Communications, Inc.	Statewide	10	100	1996
Lincoln Industries	Lincoln	12.4	112	2001
Lincoln Poultry & Egg Co.	Lincoln	10	101	2005
Lincoln Snacks, Inc.	Lincoln	8.7	50	2006
Lockheed Martin Corporation	Bellevue	11.4	100	2005
M.G. Waldbaum Company	Wakefield, Bloomfield, and Wayne	18.9	109	2002
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
MidAmerican Energy Holdings Co.	Omaha, Beatrice, Palmyra, South Sioux City, and Bellevue	10	200	2005
Midwest Renewable Energy, LLC	Sutherland	23.5	40	2006

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Midwest Web, Inc.	Lincoln	4.7	30	1997
Millard Refrigerated Services	Douglas and Sarpy Counties	14.7	210	1990
MP Global Products, LLC	Norfolk	3.3	32	2000
National Research Corporation	Lincoln	3	30	2008
Natura Manufacturing, Inc.	Fremont	23.4	100	2002
NBC Acquisition Corp.	Lincoln	10	100	2003
NE Colorado Wireless Tech, Inc.	Statewide	20	0	2005
Neapco Components, LLC	Beatrice	5.9	30	2001
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
Nedelco, Inc.	Aurora, North Platte, Grand Island, Kearney, and Columbus	8.5	393	2006
Nelnet, Inc.	Lincoln and Bellevue	3.5	35	2003
Nestle Holdings, Inc.	Crete	15.2	100	2007
Norfolk Iron & Metal Company	Norfolk	11	30	2004
Novartis Consumer Health, Inc.	Lincoln	10	100	1997
Nucor Corporation	Norfolk	3	30	2007
Omaha Steaks International, Inc.	Omaha, Snyder, and Bellevue	12.8	105	2006
Omaha World Herald Company	Omaha and Bellevue	9	30	1999
Omni Hotels Management Corporation	Omaha	3.4	30	2004
ORI Great West Holdings	South Sioux City and Grand Island	10.7	187	2006
Overhead Door Corporation	Grand Island	4.2	136	2003
Pacific Life Insurance Co.	Omaha	10	100	2005
PayPal, Inc.	Omaha, La Vista, and Bellevue	16	800	2003
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
Plastic Companies Enterprises, Inc.	Lincoln	4.2	32	2007
Premier Industries, Inc.	Mead	3	30	1997
Printco Graphics, Inc.	Omaha	3	67	2004
Professional Veterinary Products, LTD	Omaha	10	100	2002
Quality Pork International, Inc.	Omaha	10	100	1997
Quebecor World Lincoln, Inc.	Lincoln and surrounding areas	10	100	2004
Restful Knights, Inc.	Wayne	10	100	2003
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

Company Name	Project Location	Planned Investment ($ Millions)	Planned Employment (FTE)	Year Agreement Signed
Specialty Retail Holding Corp. & Subsidiaries	Omaha	37.5	158	2005
Sprint Spectrum L.P.	Statewide	35	150	1997
Standard Iron, Inc.	Grand Island	10.6	100	2007
State Steel of Omaha	Omaha	3.8	30	2004
Streck Laboratories, Inc.	La Vista	10	100	1997
Sysco Corporation & Subsidiaries	Omaha, Lincoln, and Grand Island	12	203	1998
Talent Plus, Inc.	Lincoln	10	100	2001
Technical Management, Inc.	Lincoln and Omaha	12.8	900	2004
Tecumseh Poultry, LLC	Tecumseh and Waverly	10	100	2006
Teledyne Technologies, Incorporated	Lincoln	10	110	1998
Tenaska, Inc.	Omaha	5	30	2005
Tenneco Automotive, Inc.	Cozad	12.9	155	2003
The Auto Club Group & Subsidiaries	Omaha	12.1	250	2007
The Buckle, Inc.	Kearney	10.1	100	2004
TMCO, Inc.	Lincoln	4	34	2005
Tractor Supply Company	Waverly	18.5	30	2007
Trenton Agri Products, LLC	Trenton	39.4	31	2004
Tyco Healthcare Group LP	Norfolk	10	100	2006
Tyson Fresh Meats, Inc.	Norfolk	23.2	1,000	2004
Tyson Processing Services, Inc.	Omaha	19	105	2006
Unifi Mutual Holding Company	Lincoln, Omaha, and Wayne	11.7	149	2007
Union Pacific Corporation	Statewide	3	30	1991
Union Pacific Corporation	Greater Omaha	3	30	1996
Union Pacific Corporation	Statewide	3	30	1996
Union Pacific Corporation	Omaha	281	30	2003
Union Pacific Corporation	Statewide	580	30	2006
Valmont Industries, Inc.	Valley, Waverly, McCook, West Point, Omaha, and Columbus	10	100	2006
Waitt Media, Inc.	Omaha and Plattsmouth	10	100	2004
Wal-Mart Stores, Inc.	North Platte	40	600	2002
Werner Enterprises, Inc. & Sub	Omaha	22.1	100	2005
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
Wilkinson Industries, Inc.	Fort Calhoun	10	100	2006
Wis-Pak of Norfolk, Inc.	Norfolk	3	30	1999
Wright Printing Company	Omaha	5.1	33	2002
TOTAL 150				

Employment and Investment Growth Act Summary of Qualified Project Activity

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

Category	1988-2011	2012	2013	2014	2015	Total
Tax Credits Earned:						
Investment Tax Credits	1,963,313,365	68,041,935	11,560,776	12,875,864	2,577,292	**2,058,369,232**
Compensation Credits	723,598,550	20,426,084	6,959,232	6,827,073	2,114,628	**759,925,567**
Total Credit Earned	**$2,686,911,915**	**$88,468,019**	**$18,520,008**	**$19,702,937**	**$4,691,920**	**$2,818,294,799**
Tax Credits Used:						
Corporation Income Tax	668,196,190	18,966,709	70,394,968	14,740,821	14,454,006	**786,752,694**
Individual Income Tax	157,163,506	5,954,215	7,256,451	5,356,398	3,959,733	**179,690,303**
Subtotal Income Tax	**$825,359,696**	**$24,920,924**	**$77,651,419**	**$20,097,219**	**$18,413,739**	**$966,442,997**
Sales/Use Tax Refunds	884,719,369	62,462,151	49,806,280	41,522,565	25,304,371	**1,063,814,736**
Total Tax Credits Used	**$1,710,079,065**	**$87,383,075**	**$127,457,699**	**$61,619,784**	**$43,718,110**	**$2,030,257,733**
Recapture[1]:						
Repaid	54,818,949	2,855,629	1,228,804	417,807	1,052,754	**60,373,943**
From Credit Carryover[2]	40,413,932	13,648,786	2,340,303	2,747,223	—[2]	**59,150,244**
Tax Credits Expired[2]	105,231,455	23,009,408	56,412,607	18,078,366	21,205,598	**223,937,434**
Tax Credits Outstanding[3]	831,187,463	(35,573,250)	(167,690,601)	(62,742,436)	(60,231,788)	**504,949,388**
Qualified Investment	24,122,731,524	723,376,457	233,059,011	239,697,085	25,772,920	**25,344,636,997**
Direct Sales/Use Tax Refunds[4]	785,888,983	30,311,951	13,330,660	7,191,220	3,394,836	**840,117,650**
Increase in New Jobs at Qualifying Projects	88,594	1,625	146	437	165	**90,967**
Sales/Use Tax Refunds Pending Approval at Year End	N/A	N/A	N/A	N/A	$10,552,534	**N/A**

[1]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, 2015, 95 projects were in recapture.
$33,605,805 in repayment due has been netted from approved refund claims, and $26,768,138 plus interest has been repaid in cash. Credit carryover for companies that have reached the end of the entitlement period has been reduced by $59,150,244.

[2]To maintain confidentiality, tax credits recaptured are reported combined with tax credits expired for 2015.

[3]Tax Credits Outstanding = Tax Credits Earned less Tax Credits Used, Recapture from Credits, and Tax Credits Expired

[4]To maintain confidentiality, direct sales/use tax refunds on aircraft are not separately stated.

Employment and Investment Growth Act 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.

Industry Sector Codes, Major Industry Group Titles	Application Option	Number of Companies with Remaining Signed Agreements	Number of Qualified Companies 1988-2015
MANUFACTURING			
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	$10M + 100 FTE $20M + 0 FTE $3M + 30 FTE	43 1 31	
Total Manufacturing		**75**	**251**
NON-MANUFACTURING			
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	$10M + 100 FTE $20M + 0 FTE $3M + 30 FTE	43 4 28	
Total Non-Manufacturing		**75**	**208**
TOTAL		**150**	**459**

Employment and Investment Growth Act Qualified Projects by Industry 2015, and Cumulative through 2015

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

2015

Category	Manufacturing[1]	Non-Manufacturing[2]	Total
Tax Credits Earned:			
Investment Tax Credits	1,853,880	723,412	**2,577,292**
Compensation Credits	1,405,557	709,071	**2,114,628**
Total Credit Earned	**$3,259,437**	**$1,432,483**	**$4,691,920**
Tax Credits Used:			
Corporation Income Tax	8,069,967	6,384,039	**14,454,006**
Individual Income Tax	1,325,485	2,634,248	**3,959,733**
Subtotal Income Tax	**$9,395,452**	**$9,018,287**	**$18,413,739**
Sales/Use Tax Refunds	13,380,033	11,924,338	**25,304,371**
Total Tax Credits Used	**$22,775,485**	**$20,942,625**	**$43,718,110**
Tax Credits Recaptured from Credit Carryover and Tax Credits Expired[3]	$19,500,328	$1,705,270	**$21,205,598**
Tax Credits Outstanding[4]	($39,016,376)	($21,215,412)	**($60,231,788)**
Qualified Investment	$18,538,800	$7,234,120	**$25,772,920**
Direct Sales/Use Tax Refunds[5]	$1,247,916	$2,146,920	**$3,394,836**
Recapture Repaid	$229,231	$823,523	**$1,052,754**
Increase in New Jobs at Qualifying Projects (FTE)[6]	75	90	**165**
Number of People Employed on:			
Last Day of Quarter	329	3,937	**4,266**
Most Recently Reported	1,021	4,195	**5,216**
Increase (Decrease)	**692**	**258**	**950**
Average Wage of New Employees[7]	$44,463	$53,311	**$47,866**
Sales/Use Tax Refunds Pending Approval at Year End	$8,007,426	$2,545,108	**$10,552,534**

[1]To maintain confidentiality, the following industry groups are combined in Manufacturing:
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 Miscellanous Product Manufacturing

[2]To maintain confidentiality, the following industry groups are combined in Non-Manufacturing:
42 - Wholesale Trade;
48, 49 - Transportation and Warehousing Services;
51 - Information Services; 52 - Finance & Insurance Services; and
54, 56, 62, 81 - Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services

[3]To maintain confidentiality, tax credits recaptured are reported combined with tax credits expired.

[4]Tax Credits Outstanding = Tax Credits Earned less Tax Credits Used, Recapture from Credits, and Tax Credits Expired

[5]To maintain confidentiality, direct sales/use tax refunds on aircraft are not separately stated.

[6]FTE=Full-time Equivalent

[7]The estimated average wage of new jobs is calculated by multiplying positive FTE growth by the average wage to determine the estimated compensation for each project. The sum of estimated compensation for all projects in the industry group is divided by the total positive FTE growth of the industry group.

Cumulative through 2015

Category	Manufacturing[1]	Non-Manufacturing[2]	Total
Tax Credits Earned:			
Investment Tax Credits	$940,820,607	$,117,548,625	**$2,058,232**
Compensation Credits	329,058,895	430,866,672	**759,925,567**
Total Credit Earned	**$1,269,879,502**	**$1,548,415,297**	**$2,818,294,799**
Tax Credits Used:			
Corporate Income Tax	$251,548,912	$535,203,782	**$786,752,694**
Individual Income Tax	73,675,798	106,014,505	**179,690,303**
Subtotal Income Tax	**$325,224,710**	**$641,218,287**	**$966,442,997**
Sales/Use Tax Refunds	534,570,008	529,244,728	**1,063,814,736**
Total Tax Credits Used	**$859,794,718**	**$1,170,463,015**	**$2,030,257,733**
Tax Credits Recaptured from Credit Carryover and Tax Credits Expired[3]	$183,192,406	$99,895,272	**$283,087,678**
Tax Credits Outstanding[4]	$226,892,378	$278,057,010	**$504,949,388**
Qualified Investment	$10,741,826,504	$14,602,810,493	**$25,344,636,997**
Direct Sales/Use Tax Refunds[5]	$313,184,017	$526,933,633	**$840,117,650**
Recapture Repaid	15,495,709	44,878,233	**60,373,943**
Increase in New Jobs at Qualifying Projects (FTE)[6]	41,616	49,351	**90,967**
Average Wage of New Employees[7]	$30,307	$34,111	$32,371

[1]To maintain confidentiality, the following industry groups are combined in Manufacturing:
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 Miscellanous Product Manufacturing

[2]To maintain confidentiality, the following industry groups are combined in Non-Manufacturing:
42 - Wholesale Trade;
48, 49 - Transportation and Warehousing Services;
51 - Information Services; 52 - Finance & Insurance Services; and
54, 56, 62, 81 - Professional, Scientific, and Technical; Administrative, Support, Waste Management, and Remediation; Health Care; and Other Services

[3]To maintain confidentiality, tax credits recaptured are reported combined with tax credits expired.

[4]Tax Credits Outstanding = Tax Credits Earned less Tax Credits Used, Recapture from Credits, and Tax Credits Expired

[5]To maintain confidentiality, direct sales/use tax refunds on aircraft are not separately stated.

[6]FTE=Full-time Equivalent

[7]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.

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 12/31/2015
	1988-2011	2012	2013	2014	2015	Total	
Number of Claims	14,805	467	304	290	244	**16,116**	79
State Tax	$1,386,726,722	$76,956,823	$50,366,076	$41,055,226	$22,784,969	**$1,577,889,816**	$8,612,991
City Tax	$253,351,269	$14,333,649	$12,341,861	$7,494,902	$4,915,083	**$292,436,762**	$1,939,543
Total	**$1,640,077,991**	**$91,290,472**	**$62,707,936**	**$48,550,127**	**$27,700,052**	**$1,870,326,578**	**$10,552,534**

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.

The Department 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.

The following tables show the value of personal property exempted for 2015, and cumulatively for tax years 1988-2014.

Estimate of Personal Property Value Exempted by Class in Each County (Tax Year 2015)

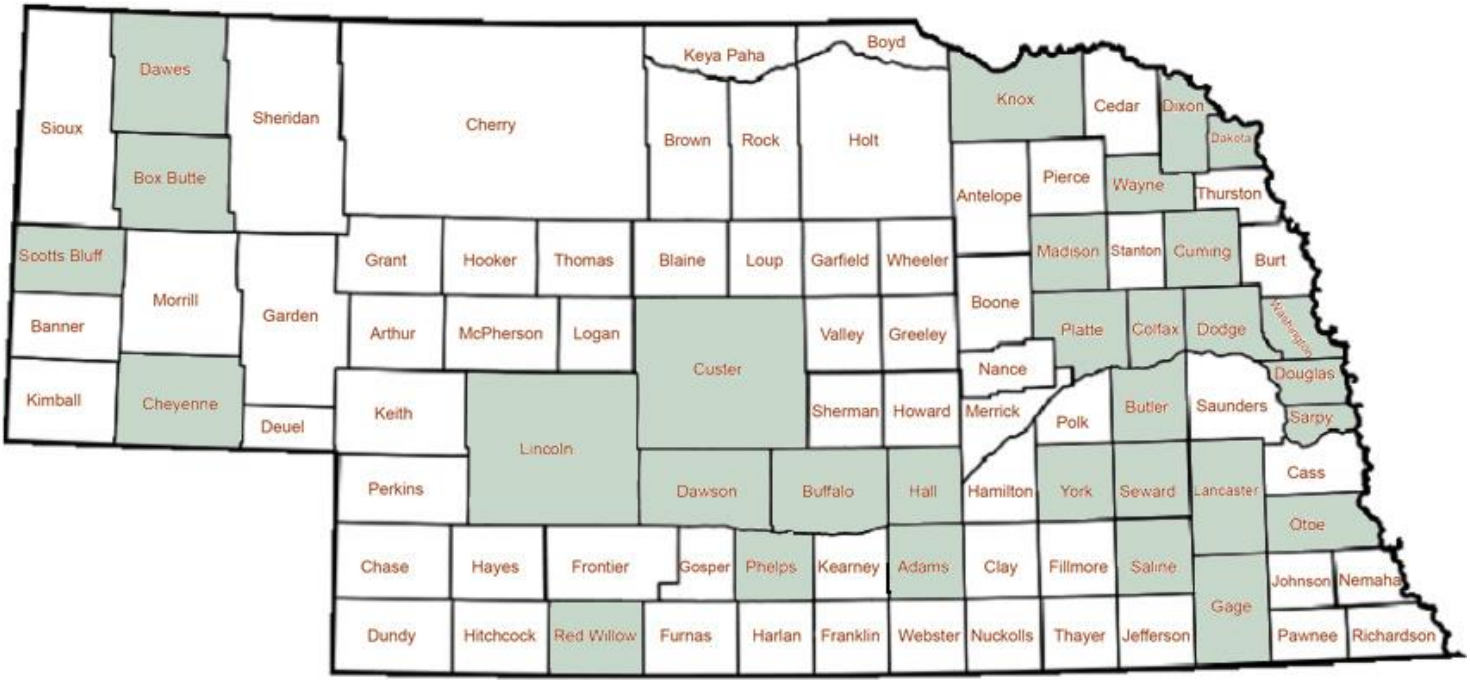
County	Airplanes	Computer Equipment	Ag Processing Equipment
Buffalo	$3,185,780	$1,294,406	0
Cheyenne	3,105,357	7,663,476	0
Dakota	0	0	23,186,333
Douglas	241,614	7,973,846	8,437,605
Lancaster	0	471,722	0
Lincoln	0	13,653	0
Saline	0	938,168	9,870,054
Sarpy	0	2,598,699	0
Total	**$6,532,751**	**$20,953,970**	**$41,493,992**

Estimate of Personal Property Value Exempted by Class in Each County (Cumulative for Tax Years 1988-2015)

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	$28,771,856	$14,547,837	$67,563	$43,387,256
Butler	0	$41,145	0	$41,145
Cheyenne	$36,651,842	$160,537,893	0	$197,189,735
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	$938,596,108	$938,596,108
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	$507,538,126	$2,277,969,113	$725,076,901	$3,510,584,141
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	$88,273,581	$242,968	$123,231,569
Lincoln	0	$7,578,772	$48,451	$7,627,223
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	$11,533,244	$378,206,748	$389,739,992
Sarpy	$7,911,346	$103,280,539	$46,793,778	$157,985,663
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
TOTAL	**$698,352,040**	**$2,681,523,621**	**$7,002,569,496**	**$10,382,445,157**

*Centrally assessed property with value distributed throughout the state. These figures represent estimates of the values exempted.

Personal Property Exemption by County*
(Cumulative for Tax Years 1988-2015)



*Shaded counties indicate personal property tax was exempted under LB 775.

Employment and Investment Growth Act, Quality Jobs Act, and Invest Nebraska Act Projected Revenue Gains and (Losses) for Tax Years 2016-2025

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

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

- Direct refunds of sales and use tax (refunds);
- Tax credits earned;
- Tax credits used;
- Tax credits recaptured; and
- Tax credits that will expire.

The report also measures the potential revenue gains (losses) under the Employment and Investment Growth Act (LB 775) 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 the Department to estimate the fiscal and employment impacts of LB 775, and these estimates are present in the table below.

I. Estimation of parameters for the projection of the tax credit.

Using historical LB 775 data, the Department analyzed patterns of how companies earned and used tax credits over the years and estimated the parameters using the pattern of how companies both earned and used tax credits. These parameters estimate the distribution of tax credits earned and used over the entitlement and carryover periods. These parameters are the building blocks of projecting future tax expenditure on tax credits. The parameters the Department measured are:

- Annual rate of attainment;
- Annual rate of tax credits earned;
- Annual rate of refunds;
- Annual rate of tax credit usage on income tax; and
- Annual rate of tax credit usage on sales and use taxes.

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 the Department to avoid any possible bias caused by extreme values.

Due to the fact that LB 775 is no longer accepting new projects and no longer allows tax credits to be earned after 2017, the amount of tax credits earned over the period will be limited. Using the parameters discussed

above and actual data from the LB 775 program, the Department projected the amount of tax credits earned and the direct refund of sales and use taxes through 2017 in the table below.

The Department estimated an annual amount of total tax credits used based on projected tax credit balances and then separated 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 taxes. The ratio of tax credit usage between income tax and sales and use taxes was derived from historical LB 775 data.

Then, the Department estimated the amount of tax credits that would be recaptured annually from 2015 to 2025, using the total amount of estimated tax credit balances for each year and the estimated annual rate of recaptured tax credits. Since the program will terminate in 2025, the tax credit balance in 2025 will be 0.

The estimation of expired credits was done using the same method as the recaptured 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 boosting 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 an 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 forecasted value of the amount of total tax credits earned and total tax credits used, along with refunds for LB 775. The forecasted values for tax credits earned and tax credits used are listed in the table below.

To analyze the fiscal impact of the tax incentive programs, the dynamic Tax Revenue Analysis in Nebraska[1] (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 Department's economists to deliver more informative results.

The critical assumption when constructing a CGE model is that the economy is in equilibrium at the beginning of the period. Therefore, 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. The impact inputs for the model are the projected tax credits earned and direct sales and use tax refunds by companies in the tax incentive program.
The table below shows estimated revenue gains generated by new investment and the net revenue gain (loss). The table provides two estimates of employment due to LB 775. 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 credit in LB 775. It is important to note that some of these new jobs would be created regardless of LB 775 due to growth in the company. Thus, the exact number of jobs that would be created without the existence of LB 775 is unknown.

The second estimate, labeled "Estimated Net Economic Job Increase (Decrease)," is estimated by TRAIN, and is an estimate of the total number of new jobs created as a result of the LB 775 program's 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 programs as well as the new jobs indirectly created throughout the Nebraska economy to support the new investment and direct employment due to LB 775.

[1]A more detailed description of the TRAIN model is available on the Department's website.

Fiscal Analysis of the Employment and Investment Growth Act, Quality Jobs Act, and Invest Nebraska Act

Summary	2015[1]	2016	2017	2018	2019	2020
Revenue Generated by Increase in Economic Activities Due to LB 775	---	$9,998,202	$11,676,164	$4,846,000	$2,939,000	$1,951,000
Tax Credits Used:						
Income Tax	18,413,739	30,042,978	27,100,088	26,395,800	23,677,459	17,766,269
Sales and Use Tax	25,304,371	31,449,581	28,368,906	27,631,643	24,786,031	18,598,080
Total Tax Credits Used	**$43,718,110**	**$61,492,559**	**$55,468,994**	**$54,027,443**	**$48,463,490**	**$36,364,349**
Direct Sales and Use Tax Refunds	$3,394,836	$5,986,660	$6,799,980	0	0	0
Revenue Gain (Loss)	-----	($57,481,017)	($50,592,810)	($49,181,443)	($45,524,490)	($34,413,349)
Tax Credits Earned	4,691,920	10,380,941	9,758,602	0	0	0
Tax Credits Recapture Repaid	0[2]	2,452,685	1,661,838	1,840,410	1,740,431	1,539,073
Tax Credit Expired	21,205,598	15,637,001	12,407,193	8,867,574	9,582,874	14,375,275
Tax Credit Balance	504,949,388	435,748,084	375,968,660	311,233,234	251,446,439	199,167,742
Estimated Employment:						
Estimated New Jobs for Qualifying Tax Credits	165	270	254	0	0	0
Estimated Net Job Increase (Decrease)	-----	161	95	71	28	8

Summary	2021	2022	2023	2024	2025
Revenue Generated by Increase in Economic Activities Due to LB 775	$1,468,000	$972,000	$799,000	$336,000	$294,000
Tax Credits Used:					
Income Tax	16,378,051	13,437,949	11,990,347	8,906,040	6,532,274
Sales and Use Tax	17,144,867	14,067,110	12,551,732	9,323,019	6,838,113
Total Tax Credits Used	**$33,522,918**	**$27,505,059**	**$24,542,079**	**$18,229,059**	**$13,370,387**
Direct Sales and Use Tax Refunds	0	0	0	0	0
Revenue Gain (Loss)	($32,054,918)	($26,533,059)	($23,743,079)	($17,893,059)	($13,076,387)
Tax Credits Earned	0	0	0	0	0
Tax Credits Recapture Repaid	1,846,887	1,725,728	1,738,506	1,718,125	1,713,664
Tax Credit Expired	18,953,400	7,531,009	17,723,202	17,726,986	11,320,733
Tax Credit Balance	144,844,537	108,082,741	64,078,954	26,404,784	0
Estimated Employment:					
Estimated New Jobs for Qualifying Tax Credits	0	0	0	0	0
Estimated Net Job Increase (Decrease)	10	7	5	2	2

[1]Figures for 2015 are actual amounts.

[2]For 2015, tax credits recaptured are reported combined with tax credits expired to maintain confidentiality.

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Reporting Requirements

Summary Description

Active Signed Agreements

Invest Nebraska Activity

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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 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 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 project.

(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.
- $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 employer payroll withholding tax liability.

Activity as of December 31, 2015

Credits were allowed under LB 620; however, to maintain confidentiality, information is reported.

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 Bioenergy Holdco, Inc. and Subs.	Ravenna	$95M + 100 FTE	2003
Beef Products, 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
Wal-Mart Stores East, Inc.	North Platte	$10M + 25 FTE	2003

FTE = Full Time Equivalent

Invest Nebraska Act
Activity as of December 31, 2014

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

To maintain confidentiality, Invest Nebraska activity is reported cumulatively for 2010-2013. No 2014 or 2015 information is included due to the small number of companies reporting.

Year	Cumulative Investment	FTEs[1]	Estimated Wage Level	Wage Benefit & Investment Credits Used
2014-2015	---[2]	---[2]	---[2]	---[2]
2010-2013	$605,658,880	1,482	$61,957	$6,613,366

[1]FTE=Full Time Equivalent

[2]To maintain confidentiality, no information is disclosed due to a decline in the number of companies reporting activity.

Reporting Requirements

Summary Description

Active Signed Agreements

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Quality Jobs Act
Reporting Requirements

Neb. Rev. Stat. § 77-4933 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 Quality Jobs 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 project.

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

Quality Jobs Act
Summary Description

General Information

The Quality Jobs Act (LB 829) allowed a qualified business to receive a wage benefit credit, or retain payroll withholding tax. The Quality Jobs Act required a separate application subject to approval by the Quality Jobs Board. The members of the board were the Governor, the State Treasurer, and the chairperson of the Nebraska Investment Council.

Application Information

No new Quality Jobs Act applications could be filed after February 1, 2000.

Requirements by Application Level

There were two levels that qualified companies could choose from:

- $50 million investment in qualified property and at least 500 new full time equivalent (FTE) employees hired; and
- $100 million in investment in qualified property and at least 250 new FTE employees hired.

Description of Benefits

A company that reached and maintained the selected levels was eligible for a wage benefit credit. The company was to expend at least the value of the wage benefit credit for company training programs, employee benefit programs, educational institution training programs, or workplace safety programs. The company's agreement specifies whether the election has been made to use the credit against the company's income tax, or to retain a portion of the taxpayer's employer's payroll withholding tax liability as designated by the employees.

Activity as of December 31, 2015

Credits were allowed under LB 829; however, to maintain confidentiality, no information is reported.

Quality Jobs Act
Active Signed Agreements

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

Company Name	Project Location	Project Type	Year Agreement Signed
Union Pacific Railroad Company	Omaha	$100M + 250 FTE	1996

FTE = Full Time Equivalent

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