imagiNE NEBRASKA

ECONOMIC DEVELOPMENT INCENTIVES

THE imagiNE NEBRASKA ACT is a comprehensive economic development incentives package that meets the needs of businesses expanding in or relocating to Nebraska.

imagine.nebraska.gov

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NEBRASKA

Good Life. Great Opportunity.

DEPT. OF ECONOMIC DEVELOPMENT

2021 ECONOMIC DEVELOPMENT INCENTIVES

THE imagiNE NEBRASKA ACT

QUALIFY								
Application Levels	**Economic Redevelopment Areas**	**Manufacturing Growth and Expansion**		**Growth and Expansion**	**Quality Jobs**	**Quality Jobs Investment**	**Mega-Project**	**Modernization**
		Rural	**Urban**					
Job Growth Requirement	5 FTE	5 FTE	10 FTE	10 FTE	20 FTE	30 FTE	250 FTE	N/A
2021 Investment Required	$250,000 - $1 million	$1 million	$1 million	$1 million	None	$5 million	$250 million	$50 million
Qualified Locations	Limited to Economic Redevelopment Areas	Limited to counties with population less than 100,000	Limited to counties with population of 100,000 or greater	Single location, any county, more than one county, or statewide	Single location, any county, more than one county, or statewide	Single location, any county, more than one county, or statewide	Single location, any county, more than one county, or statewide	Single location, any county, more than one county, or statewide
Business Activities	See qualified locations	Manufacturing, including pre-production services; or services provided on aircraft brought into the state	Manufacturing, including pre-production services; or services provided on aircraft brought into the state	See qualified locations	See qualified locations	See qualified locations	See qualified locations	See qualified locations
Wage Threshold 2021	70% NE Avg. Wage ($16.10)	70% NE Avg. Wage ($16.10)	75% NE Avg. Wage ($17.25)	90% NE Avg. Wage ($20.70)	100% NE Avg. Wage ($23.00)	100% NE Avg. Wage ($23.00)	150% NE Avg. Wage ($34.50)	Average wages at least 150% NE Avg. Wage ($34.50)
EARN								
Wage Credit	6% of the Avg. Wage of New Employees	6% of the Avg. Wage of New Employees	4% of the Avg. Wage of New Employees	4% of the Avg. Wage of New Employees	5% of the Avg. Wage of New Employees 7% if 150% NE Avg. Wage 9% if 200% NE Avg. Wage	5% of the Avg. Wage of New Employees if 100% of NE Avg. Wage 7% if 150% NE Avg. Wage 9% if 200% NE Avg. Wage	7% if 150% NE Avg. Wage 9% if 200% NE Avg. Wage	None
Bonus Wage Credit	+1% if taxpayer is a benefit corporation							None
	None	+1% if location is in an extremely blighted area						None
Investment Tax Credit	4%	4% or 7% if $10,000,000 Investment	4% or 7% if $10,000,000 Investment	4%	None	7%	7%	None
Bonus Investment Credit	+1% if taxpayer is a benefit corporation							
	None	+1% if location is in an extremely blighted area						
Sales/Use Tax Direct Refund	None	None	None	None	None	100%	100%	100%
Personal Property Tax Exemption	None	None	None	None	None	Ag Processing Equipment & Data Center Equipment	All Personal Property	Ag Processing Equipment & Data Center Equipment

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USE							
Tax Credits May Be Used Against Tax Liability, or to Recieve a Refund or Reimbursement for Expenses Incurred for:							
Type of Credit	Income Tax	Withholding	Sales & Use Tax	Repayment of DED Infrastructure or Job Training loans made through the ImagiNE Revolving Loan Program	Recruitment/ Retention	Job Training	Child Care Exp.
Wage Credit	Yes	Yes to extent withholding is attributable to the number of new employees	Yes, for Sales & Use Taxes paid for items at a qualified location, if not otherwise refunded or exempted	Yes	Yes, for activities resulting in new employee hired after date of application. Includes marketing, relocation, and search firm fees, student loans, tuition, or down-payment on a primary residence in Nebraska	Yes, for training after the application date of new employee if training fits guidelines	Yes, refund amount paid by taxpayer-sponsored childcare expense
Investment Credit	Yes	No	Yes, for Sales & Use Taxes paid for items at a qualified location, if not otherwise refunded or exempted	Yes	Yes, for activities resulting in new employee hired after date of application. Includes marketing, relocation, and search firm fees, student loans, tuition, or down-payment on a primary residence in Nebraska	Yes, for training after the application date of new employee if training fits guidelines	Yes, refund amount paid by taxpayer-sponsored childcare expense

Business Activities Under THE imagiNE NEBRASKA ACT

QUALIFIED LOCATION ACTIVITIES
The majority of business activities conducted at a qualified location (based on # of employees) must be within one or more of the following NAICS codes: For NAICS defintions, see: https://www.census.gov/eos/www/naics/2017NAICS/2017_NAICS_Manual.pdf
(a) Manufacturing - 31, 32, or 33, including pre-production services;
(b) Testing Laboratories - 541380;
(c) Rail Transportation - 482;
(d) Truck Transportation - 484;
(e) Insurance Carriers - 5241;
(f) Wired Telecommunications Carriers - 517311;
(g) Wireless Telecommunications Carriers (except Satellite) - 517312;
(h) Telemarketing Bureaus and Other Contact Centers - 561422;
(i) Data Processing, Hosting, and Related Services - 518210;
(j) Computer Facilities Management Services - 541513;
(k) Warehousing and Storage - 4931;
(l) The administrative management of the taxpayer's activities, including headquarter facilities relating to such activities, or the administrative management of any of the activities of any business entity or entities in which the taxpayer or a group of its owners hold any direct or indirect ownership interest of at least ten percent, including headquarter facilities relating to such activities;
(m) Logistics Facilities - Portions of NAICS 488210, 488310, and 488490 dealing with independently operated trucking terminals, independently operated railroad and railway terminals, and waterfront terminal and port facility operations;
(n) Services provided on aircraft brought into this state by an individual who is a resident of another state or any other person who has a business location in another state when the aircraft is not to be registered or based in this state and will not remain in this state more than ten days after the service is completed;
(o) The conducting of research, development, or testing, or any combination thereof, for scientific, agricultural, animal husbandry, food product, industrial, or technology purposes;
(p) The production of electricity by using one or more sources of renewable energy to produce electricity for sale. For purposes of this subdivision, sources of renewable energy includes, but is not limited to, wind, solar, energy storage, geothermal, hydroelectric, biomass, and transmutation of elements;
(q) Computer Systems Design and Related Services - 5415; or
(r) The performance of financial services. For purposes of this subdivision, financial services includes only financial services provided by any financial institution subject to tax under Chapter 77, article 38, or any person or entity licensed by the Department of Banking and Finance or the federal Securities and Exchange Commission.

ALTERNATIVE QUALIFICATION	
75% Export Exception*: Qualified location also includes any other business location if at least seventy-five percent of the revenue derived at the location is from sales to customers which are delivered or provided from the qualified location to a location that is not within Nebraska. To qualify under this provision, the majority of business activities (based on # of employees) cannot be comprised of these NAICS codes:	(i) Agriculture, Forestry, Fishing and Hunting - 11; (ii) Transportation and Warehousing - 48-49; (iii) Information - 51; (iv) Utilities - 22; (v) Mining, Quarrying, and Oil and Gas Extraction - 21; (vi) Public Administration - 92; or (vii) Construction - 23

*Intermediate sales to related persons are included as sales to customers delivered or provided to a location outside Nebraska if the related person delivers or provides the goods or services to a location outside Nebraska.