

# Nebraska Advantage

## Economic Development Incentives



# Receive greater returns on your investment in Nebraska.

---

## Nebraska Offers:

- Highly educated and productive workforce
- Readily available sites and buildings
- Utility costs significantly below national averages
- World class telecommunications infrastructure
- Aggressive local incentives
- First class infrastructure
- Speed to markets
- Foreign Trade Zone
- Fair and balanced litigation and regulatory environment
- Low cost of living
- High ranking quality of life
- Short commute times

## Additional Tax Savings:

- Sales tax exemption on:
  - Manufacturing equipment
  - Manufacturing or processing raw materials
  - Common carrier vehicles
  - Utilities used in manufacturing
- No intangibles tax
- No inventory tax
- Sales tax refund on pollution control equipment
- 100% depreciation for personal property tax



NEBRASKA  
*Advantage*

# NEBRASKA ADVANTAGE INCENTIVES MATRIX

	NEBRASKA ADVANTAGE		
	TIER ONE	TIER TWO	TIER THREE
<b>INVESTMENT</b>	<b>\$1,000,000</b>	<b>\$3,000,000</b>	<b>0</b>
<b>JOB CREATION</b>	<b>10</b>	<b>30</b>	<b>30</b>
<b>QUALIFIED BUSINESSES</b>	Research and Development Scientific Testing Manufacturing Targeted Export Services (75% of sales outside Nebraska or to the U.S. Government) • Software Development Services • Computer Systems Design • Product Testing Services • Guidance or Surveillance Systems • Technology Licensing	Research and Development Scientific Testing Data Processing Telecommunications Insurance Financial Services Manufacturing Distribution Storage/Warehousing Transportation Headquarters (Administrative) Targeted Export Services (75% of sales outside Nebraska or to the U.S. Government) • Software Development • Computer Systems Design • Product Testing Services • Guidance or Surveillance Systems • Technology Licensing Internet Web Portal	Research and Development Scientific Testing Data Processing Telecommunications Insurance Financial Services Manufacturing Distribution Storage/Warehousing Transportation Headquarters (Administrative) Targeted Export Services (75% of sales outside Nebraska or to the U.S. Government) • Software Development • Computer Systems Design • Product Testing Services • Guidance or Surveillance Systems • Technology Licensing Internet Web Portal
<b>INVESTMENT CREDITS</b>	Yes: 3%	Yes: 10%	N/A
<b>WAGE CREDITS</b>	Sliding scale job credit on employee payroll of new employees whose wage is at least 60% of the Nebraska average wage. Credit is: 3% if 60% of NE avg. wage 4% if 75% of NE avg. wage 5% if 100% of NE avg. wage 6% if 125% of NE avg. wage	Sliding scale job credit on employee payroll of new employees whose wage is at least 60% of the Nebraska average wage. Credit is: 3% if 60% of NE avg. wage 4% if 75% of NE avg. wage 5% if 100% of NE avg. wage 6% if 125% of NE avg. wage	Sliding scale job credit on employee payroll of new employees whose wage is at least 60% of the Nebraska average wage. Credit is: 3% if 60% of NE avg. wage 4% if 75% of NE avg. wage 5% if 100% of NE avg. wage 6% if 125% of NE avg. wage
<b>SALES TAX REFUND</b>	Refund of 1/2 the Sales Tax on project's capital purchases	Refund of all Sales Tax on project's capital purchases	N/A
<b>OTHER</b>	N/A	N/A	N/A
<b>USE OF CREDITS</b>	Sales Tax, Income Tax, Employee Withholding (Wage Credit Only)	Sales Tax, Income Tax, Employee Withholding (Wage Credit Only)	Sales Tax, Income Tax, Employee Withholding (Wage Credit Only)
<b>ATTAINMENT PERIOD</b>	Up to 5 Years	Up to 7 Years	Up to 5 Years
<b>ENTITLEMENT PERIOD</b>	6 to 7 Years	7 Years	6 to 7 Years
<b>CREDIT CARRYOVER PERIOD</b>	0 to 3 Years	2 to 8 Years	0 to 3 Years
<b>APPLICATION FEE</b>	\$1,000	\$2,500	\$2,500

NEBRASKA ADVANTAGE		NEBRASKA ADVANTAGE	
TIER FOUR	TIER FIVE	SUPER TIER SIX	
<b>\$10,000,000</b>	<b>\$30,000,000</b>	<b>\$10,000,000</b>	<b>\$100,000,000</b>
<b>100</b>	<b>(Maintain Employment)</b>	<b>75</b>	<b>50</b>
Research and Development Scientific Testing Data Processing Telecommunications Insurance Financial Services Manufacturing Distribution Storage/Warehousing Transportation Headquarters (Administrative) Targeted Export Services (75% of sales outside Nebraska or to the U.S. Government) • Software Development • Computer Systems Design • Product Testing Services • Guidance or Surveillance Systems • Technology Licensing Internet Web Portal	Research and Development Scientific Testing Data Processing Telecommunications Insurance Financial Services Manufacturing Distribution Storage/Warehousing Transportation Headquarters (Administrative) Targeted Export Services (75% of sales outside Nebraska or to the U.S. Government) • Software Development • Computer Systems Design • Product Testing Services • Guidance or Surveillance Systems • Technology Licensing Internet Web Portal	Any business activity other than retail	
Yes: 10%	N/A	Yes: 15%	
Sliding scale job credit on employee payroll of new employees whose wage is at least 60% of the Nebraska average wage. Credit is: 3% if 60% of NE avg. wage 4% if 75% of NE avg. wage 5% if 100% of NE avg. wage 6% if 125% of NE avg. wage	N/A	10% job credit on new employee "compensation" Wage thresholds per new position are the greater of: 200% of the county average wage or 150% of the NE average wage	
Refund of all Sales tax on project's capital purchases	Refund of all Sales tax on project's capital purchases	Refund of all Sales Tax on project's capital purchases	
Personal Property Tax exemption on: turbine powered aircraft; computer systems; agricultural processing machinery; and personal property used in distribution facilities for up to 10 years.	Personal Property Tax exemption: up to 10 years on computer systems for internet web portal.	Personal Property Tax exemption for all Personal Property at the project for up to 10 years.	
Sales Tax, Income Tax, Employee Withholding (Wage Credit Only)	N/A	Same as Tiers 1 - 4, PLUS: all Statewide Sales Tax and Site Specific Real Property Taxes	
Up to 7 Years	Up to 7 Years	Up to 5 Years	
7 Years	7 Years	10 Years	
2 to 8 Years	N/A	1 Year	
\$2,500	\$2,500	\$10,000	

NEBRASKA RURAL ADVANTAGE	
LEVEL ONE	LEVEL TWO
<b>\$125,000</b>	<b>\$250,000</b>
<b>2</b>	<b>5</b>
Must be located in: <b>counties with population less than 15,000</b> Livestock Production Research and Development Scientific Testing Data Processing Telecommunications Insurance Financial Services Manufacturing Distribution Storage/Warehousing Transportation Headquarters (Administrative)	Must be located in: <b>counties with population less than 25,000</b> Livestock Production Research and Development Scientific Testing Data Processing Telecommunications Insurance Financial Services Manufacturing Distribution Storage/Warehousing Transportation Headquarters (Administrative)
Yes - \$2,750 of refundable credits per \$50,000 of qualifying investment	Yes - \$2,750 of refundable credits per \$50,000 of qualifying investment
\$3,000 of refundable credits per full-time equivalent employee, includes teleworkers	\$3,000 of refundable credits per full-time equivalent employee, includes teleworkers
N/A	N/A
N/A	N/A
Credits may be used to reduce income tax liability, refund sales taxes, or as a direct refund	Credits may be used to reduce income tax liability, refund sales taxes, or as a direct refund
The year of application plus one year to achieve thresholds; must maintain investment and employment for 3 years	The year of application plus one year to achieve thresholds; must maintain investment and employment for 3 years
N/A	N/A
N/A	N/A
\$500	\$500

**Nebraska.**  
**Ranked among**  
**the best.**

**6th**  
**2008 Most Livable State Award**  
CQ Press

**3rd**  
**for Fairness of Litigation Environment**  
Institute for Legal Reform/U.S. Chamber of  
Commerce State Liability Systems Ranking Study

**Top 10**  
**Competitiveness Award**  
Site Selection Magazine

