

Here's how to receive greater returns on your investment

Nebraska's New Generation of Economic Development Incentives

Check out these other components in the Nebraska Advantage Economic Development Package:

Nebraska Customized Job Training Advantage...

Provides a flexible and discretionary job training program that will provide \$15 million in customized job training assistance designated for 2006 and 2007. You can design your own training, or a statewide training team can assist with training needs assessments, training plans, curriculum development, and training instruction.

Nebraska Research and Development Advantage...

Offers a tax credit for research and development activities undertaken by any business entity. The credit is equal to 3 percent of research and development expenditures that are greater than the average of the previous two years research and development spending. An important feature -- businesses with little or no income may take advantage of the tax credit by receiving a sales tax refund or a refundable income tax credit.

Nebraska Microenterprise Tax Credit Advantage...

Provides a 20 percent refundable investment tax credit to micro businesses on new investment in targeted communities. Applicants may qualify for a maximum \$10,000 throughout the life of the program. The credit is geared to companies with five or fewer employees, including start-ups. Credits are approved through an application process with the Nebraska Department of Revenue and evaluated on expected local economic impact. The credits would apply to new expenditures for wages, buildings, and non-vehicle depreciable personal property.

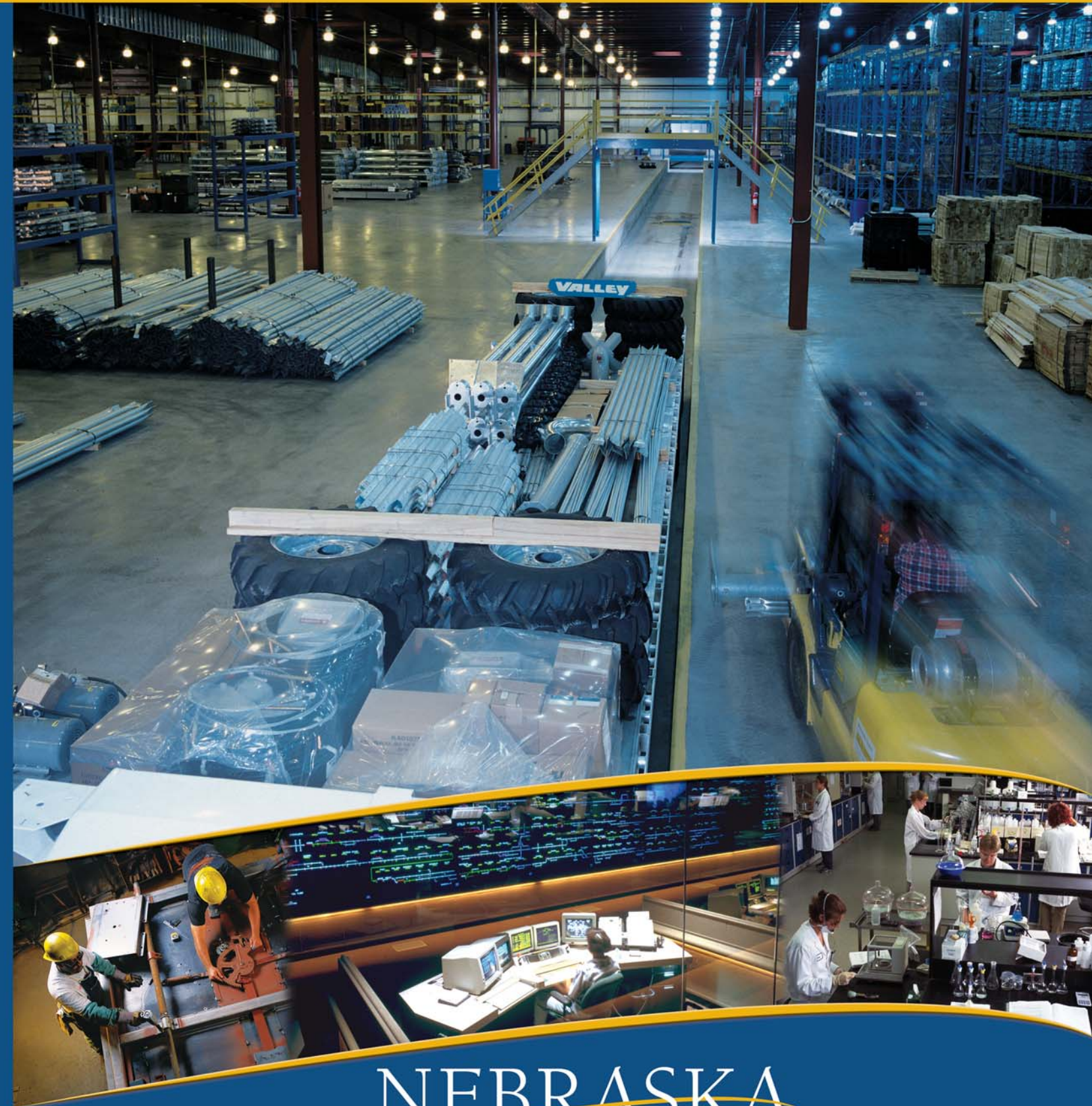
Additional Tax Savings

- ◆ **Nebraska State and Local Sales Tax Exemptions of Manufacturing Machinery, Equipment and Related Services...**
Exempts expenditures on manufacturing machinery, equipment, and related services from state and local sales taxes.
- ◆ **Inventory Tax Exemptions...**
Business inventories are exempt from property and inventory taxes.

Invest in Your Future with Nebraska's New Generation of Economic Development Incentives.

NEBRASKA
Advantage

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Receive Greater Returns On Your Investment in Nebraska	Nebraska Advantage TIER ONE	Nebraska Advantage TIER TWO	Nebraska Advantage TIER THREE	Nebraska Advantage TIER FOUR	Nebraska Advantage TIER FIVE	Nebraska Rural Advantage LEVEL ONE	Nebraska Rural Advantage LEVEL TWO
INVESTMENT	\$1,000,000	\$3,000,000	0	\$10,000,000	\$30,000,000	\$125,000	\$250,000
JOB CREATION	10	30	30	100	(Maintain Employment)	2	5
QUALIFIED BUSINESSES	Research and Development Scientific Testing Manufacturing Targeted Export Services (75% of sales outside Nebraska or to the U.S. Government) <ul style="list-style-type: none"> ■ Software Development ■ 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) <ul style="list-style-type: none"> ■ Software Development ■ 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) <ul style="list-style-type: none"> ■ Software Development ■ 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) <ul style="list-style-type: none"> ■ Software Development ■ 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) <ul style="list-style-type: none"> ■ Software Development ■ Computer Systems Design ■ Product Testing Services ■ Guidance or Surveillance Systems ■ Technology Licensing 	Must be located in counties with population less than 15,000, or in Federally Designated Enterprise Zones Research and Development Scientific Testing Data Processing Telecommunications Insurance Financial Services Manufacturing Distribution Storage/Warehousing Transportation Headquarters (administrative)	Must be located in counties with population less than 25,000, or in Federally Designated Enterprise Zones Research and Development Scientific Testing Data Processing Telecommunications Insurance Financial Services Manufacturing Distribution Storage/Warehousing Transportation Headquarters (administrative)
INVESTMENT CREDITS	Yes - 3%	Yes - 10%	N/A	Yes - 10%	N/A	Yes - \$2,750 of refundable credits per \$50,000 of qualifying investment	Yes - \$2,750 of refundable credits per \$50,000 of qualifying investment
WAGE CREDITS	Sliding Scale Job Credits on payroll of new employees, including teleworkers, whose wage is at least 60% of the Neb. average. Credit is: 3% if 60% of Neb. average wage 4% if 75% of Neb. average wage 5% if 100% of Neb. average wage 6% if 125% of Neb. average wage	Sliding Scale Job Credits on payroll of new employees, including teleworkers, whose wage is at least 60% of the Neb. average. Credit is: 3% if 60% of Neb. average wage 4% if 75% of Neb. average wage 5% if 100% of Neb. average wage 6% if 125% of Neb. average wage	Sliding Scale Job Credits on payroll of new employees, including teleworkers, whose wage is at least 60% of the Neb. average. Credit is: 3% if 60% of Neb. average wage 4% if 75% of Neb. average wage 5% if 100% of Neb. average wage 6% if 125% of Neb. average wage	Sliding Scale Job Credits on payroll of new employees, including teleworkers, whose wage is at least 60% of the Neb. average. Credit is: 3% if 60% of Neb. average wage 4% if 75% of Neb. average wage 5% if 100% of Neb. average wage 6% if 125% of Neb. average wage	N/A	\$3,000 of refundable credits per full-time equivalent employee, including teleworkers	\$3,000 of refundable credits per full-time equivalent employee, including teleworkers
SALES TAX REFUND	Refund of 1/2 the Sales Tax on project's capital purchases	Refund of all Sales Tax on project's capital purchases	N/A	Refund of all Sales Tax on project's capital purchases	Refund of all Sales Tax on project's capital purchases	N/A	N/A
OTHER	N/A	N/A	N/A	Property Tax exemption on: turbine powered aircraft, mainframe computers, agricultural processing machinery, and personal property used in distribution facilities for up to 10 years	N/A	N/A	N/A
USE OF CREDITS	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)	Sales Tax, Income Tax, Employee Withholding (wage credit only)	Sales Tax, Income Tax	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
ATTAINMENT PERIOD	Up to 5 Years	Up to 7 Years	Up to 5 Years	Up to 7 Years	Up to 7 Years	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
ENTITLEMENT PERIOD	6 to 7 Years	7 Years	6 to 7 Years	7 Years	7 Years	N/A	N/A
CREDIT CARRYOVER PERIOD	0 to 3 Years	2 to 8 Years	0 to 3 Years	2 to 8 Years	N/A	N/A	N/A
APPLICATION FEE	\$1,000	\$2,500	\$2,500	\$5,000	\$2,500	\$500	\$500