



URBAN REDEVELOPMENT ACT



The Urban Redevelopment Act (URA) is Nebraska’s tax incentive program designed to grow small businesses and generate investment in Nebraska’s urban cores.

THE URA

The URA is a performance-based incentives program designed to encourage growth in small businesses in urban areas through hiring and new investment in qualified property. All business industries are eligible to participate in the program and credits that are earned can be used to offset tax liabilities and even put cash back in your business.

A map with eligible ERAs can be found at <https://opportunity.nebraska.gov/programs/incentives/urban-redevelopment-act/>

QUALIFYING FOR CREDITS

Businesses qualify for credits at the following levels:

1. Employment & Investment: Invest at least \$150,000 and hire at least 5 new Full Time Equivalent Employees (FTEs) at one or more qualified locations.*
2. Investment Only: Invest at least \$50,000 at one or more qualified locations.

*Wages paid to new FTEs must be at least 70% of the State of Nebraska average wage for the year of application.

EARNING TAX CREDITS

After businesses meet required employment and investment levels, they are able to earn and use the following credits:

Application Level	Employment Credit	Investment Credit
Employment and Investment	\$3,000/FTE**	\$2,750/\$50k of investment
Investment Only	No Credit Earned	5% of the investment

**Additional incentives are available for hiring new employees residing in ERAs.

Between \$2,500 and \$200,000 in credits may be earned through the program.

USING CREDITS

Businesses can use credits to:

- Earn refundable Nebraska income tax credits
- Receive a refund of sales and use taxes
- Reduce Nebraska withholding liabilities
- Refund property taxes paid at the qualified location
- Reduce income tax liability of a partner, LLC member, shareholder, or beneficiary

*taxpayer is entitled to a direct refund of all sales and use taxes paid on qualifying investment upon attainment of required levels

*This document is not intended to be a guidance document

For the Most Up to Date INFO AND TO APPLY, VISIT:

<https://opportunity.nebraska.gov/programs/incentives/urban-redevelopment-act/>