

## ImagiNE Nebraska

**ImagiNE Nebraska** benefits set a base level of assistance for all projects and rewards higher wage projects and increased capital investment with additional incentives. The program benefits existing businesses across the State by rewarding high wage job growth, keeps Nebraska competitive to attract new growth opportunities to the State, and provides incentive for companies to modernize their operations to increase competitiveness.

Credits can be used to offset withholding liability, sales tax, and corporate income tax but also can be utilized for job training and recruitment of new, high wage employees to the qualified projects. Credits can also be utilized to repay loans from the ImagiNE Nebraska Revolving Loan Fund for workforce training and Infrastructure development.

Benefit Schedule							
	Rural Manufacturing (<100,000)	Growth and Expansion	Manufacturing Growth and Expansion	Quality Jobs	Quality Jobs Investment	Mega-Project	Modernization
# of Jobs	5 FTE	10 FTE	10 FTE	20 FTE	30 FTE	250 FTE	None
Investment	\$1,000,000	\$1,000,000	\$1,000,000	None	\$5,000,000	\$250,000,000	\$50,000,000
Wage Threshold**	70% of the Statewide Average	90% of the Statewide Average	75% of the Statewide Average	100% of the Statewide Average		150% of the Statewide Average	
Wage Credit	6%	4%	4%	100% = 5% 150% = 7% 200% = 9%		150% = 7% 200% = 9%	None
ITC	4% or 7% if investment is > \$10 million*	4%	4% or 7% if investment is > \$10 million*	None	7%	7%	None
Sales Tax Refund-Exemption	None	None	None	None	✓	✓	✓
Personal Property Tax Exemption	None	None	None	None	For Ag Processing Machinery & Data Center Equipment	For all PP	For Ag Processing Machinery & Data Center Equipment
Program Length							
	Ramp Up Period – Up to 5 Years		Performance Period – 7 Years		Carry Over Period – 3 Years		

\*Investment Credit Bump for Manufacturing

\*\*Wage threshold does not include the monetary value of the additional compensation of health insurance and other benefits which is required to qualify for incentives.

## Benefit Descriptions

**Rural Manufacturing (Counties less than 100,000 population):** Aimed at bringing new manufacturing jobs to smaller counties across the state. (Limited to specific NAICS codes)

Thresholds:

- New FTE: 5
- Cumulative Capital Investment: \$1,000,000
- Wage: 70% of Statewide Average

Benefits:

- Wage Compensation Credit on New FTE: 6%
- Investment Tax Credit: 4% or 7% if investment is equal to or greater than \$10 million dollars

**Growth and Expansion:** Aimed at expanding existing small companies and start-ups.

Thresholds:

- New FTE: 10
- Cumulative Capital Investment: \$1,000,000
- Wage: 90% of Statewide Average

Benefits:

- Wage Compensation Credit on New FTE: 4%
- Investment Tax Credit: 4%

**Manufacturing Growth and Expansion:** Aimed at expanding existing manufacturing companies across the state. (Limited to specific NAICS codes)

Thresholds:

- New FTE: 10
- Cumulative Capital Investment: \$1,000,000
- Wage: 75% of Statewide Average

Benefits:

- Wage Compensation Credit on New FTE: 4%
- Investment Tax Credit: 4% or 7% if investment is equal to or greater than \$10 million dollars

**Quality Jobs:** Aimed at high-wage existing business job growth and business start-ups.

Thresholds:

- New FTE: 20
- Cumulative Capital Investment: Not Required
- Wage: 100% of Statewide Average

Benefits:

- Wage Compensation Credit on New FTE:
  - If Average Wage of New FTE is Greater than 100% of Statewide Average = 5%
  - If Average Wage of New FTE is Greater than 150% of Statewide Average = 7%
  - If Average Wage of New FTE is Greater than 200% of Statewide Average = 9%
- Investment Tax Credit: None

**Quality Jobs Investment:** Aimed at existing business growth and new to market companies where Nebraska is competing nationally

Thresholds:

- New FTE: 30
- Cumulative Capital Investment: \$5,000,000
- Wage: 100% of Statewide Average

Benefits:

- SAME AS ABOVE plus
- Investment Tax Credit: 7%

- Sales Tax Refund/Exemption: Receives Refund/Exemption
- Personal Property Tax Exemption: For Agricultural Processing / Manufacturing Equipment and Data Equipment Only

**Mega-Project:** Aimed at large, game-changing projects that could have a major impact on the State's GDP growth.

Thresholds:

- New FTE: 250
- Cumulative Capital Investment: \$250,000,000
- Wage: 150% of Statewide Average

Benefits:

- Wage Compensation Credit on New FTE:
  - If Average Wage of New FTE is Greater than 150% of Statewide Average = 7%
  - If Average Wage of New FTE is Greater than 200% of Statewide Average = 9%
- Sales Tax Refund/Exemption: receives Refund/Exemption
- Personal Property Tax Exemption: All Personal Property Exempt

**Modernization:** Aimed at existing businesses that needs to invest to maintain their competitiveness in the industry.

Thresholds:

- New FTE: No new FTE or maintenance required
- Cumulative Capital Investment: \$50,000,000
- Wage: 150% of Statewide Average

Benefits:

- Sales Tax Refund/Exemption: receives Refund/Exemption
- Personal Property Tax Exemption: For Agricultural Processing / Manufacturing Equipment and Data Equipment Only

## Key Employer and Jobs Retention Act

Minimum Number of Jobs in Base Year	1000 FTE
Minimum Number of Jobs Maintained	At least 90% of Base Year
Qualified Area	Statewide
Wage Threshold (2020)	100% Statewide Average
Key Employer and Jobs Retention Act Yearly Cap	\$4,000,000 (first come first served)
Key Employer and Jobs Retention Act 10 Year Cap	\$40,000,000

## Nebraska Transformational Project Act

The Nebraska Transformational Project Act creates the Nebraska Transformational Project Fund. The Act allows for post-secondary institutions having a college of medicine located in the State of Nebraska to apply for \$300 million dollars of state matching funds if the applicant has received a commitment of at least \$1.3 billion dollars in federal or private funds to fund a project with an economic impact of at least \$2.7 billion dollars during the planning and construction period and at least \$4.9 billion dollars during the ten-year period beginning either when construction commences or when the application is approved.

## Wage Comparison - Nebraska Advantage and LB 720

<b><u>Nebraska Advantage Act</u></b>	
Tier 1	\$27,768 annually / \$13.35 per hour
Tier 2	\$27,768 annually / \$13.35 per hour
Tier 2 (Data Center)	\$27,768 annually / \$13.35 per hour
Tier 3	\$27,768 annually / \$13.35 per hour
Tier 4	\$27,768 annually / \$13.35 per hour
Tier 5	NA
Super Tier 6	Wage Thresholds per position are the greater of 200% of the county average wage or 150% of the Nebraska Average wage (\$67,246.40)

<b><u>ImagiNE Nebraska</u></b>	
Rural Manufacturing	\$33,488 annually / \$16.10 per hour + Health Insurance + Other Benefits
Growth and Expansion	\$43,056 annually / \$20.70 per hour + Health Insurance + Other Benefits
Manufacturing Growth and Expansion	\$35,880 annually / \$17.25 per hour + Health Insurance + Other Benefits
Quality Jobs	\$47,840 annually / \$23.00 per hour + Health Insurance + Other Benefits
Quality Jobs Investment	\$47,840 annually / \$23.00 per hour + Health Insurance + Other Benefits
Mega-Project	\$71,760 annually / \$34.50 per hour + Health Insurance + Other Benefits
Modernization	\$71,760 annually / \$34.50 per hour + Health Insurance + Other Benefits