

LB 886 Provides Tax Credit for Facility Expansion

By Mark Othmer, Nebraska Field Director

During the last few months of travel around the state of Nebraska visiting your dealerships, I have found many things in you have in common. Highest on the list is that I find great people managing, and working, in your dealerships. I always receive a warm welcome and, if the time is available, I always end up having an enjoyable and educational visit.

During these visits and observations, I have found another common denominator. Many of you have recently completed, are in the process of, or are planning in the near future, a renovation or addition to your existing facilities. Along with these renovations or additions are also plans for adding more employees. The combination of these two factors make your businesses prime targets for the advantages of utilizing LB 886.

This law is the baby brother to LB 270, which provides the opportunity to capture tax credits from the state of Nebraska due to business expansion. LB 270 was created for the big guys, but LB 886 was written with small businesses in mind. If you can prove that additional people have been hired at or near the same time an expansion in facilities was made, your business may qualify for tax credits.

If this sounds like free money, that's almost true. There is a catch, though. It is not easy money. There are rules, and you must abide by them and prove that you qualify for the tax credits. For expansions and hirings that have already been made, this can be a time consuming process. If you are in the middle of an expansion, or planning one in the near future, it becomes a little easier.

I encourage anyone who is in the facility expansion and employee hiring mode to check out the advantages of LB 886. Some dealers already have, and have been successful at earning tax credits. If you want more information on LB 886, please don't hesitate to get in contact with me, or call the Department of Revenue directly at (402) 471-5753. This law does seem to be working, so I encourage all dealers to take advantage of it if possible.