LEGISLATURE OF NEBRASKA

ONE HUNDRED FOURTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 204

Introduced by Schilz, 47.

Read first time January 13, 2015

Committee: General Affairs

A BILL FOR AN ACT relating to the Nebraska Liquor Control Act; to amend section 53-101, Revised Statutes Cumulative Supplement, 2014; to provide a tax credit for certain beer manufacturers as prescribed; to harmonize provisions; and to repeal the original section.

Be it enacted by the people of the State of Nebraska, Section 1. Section 53-101, Revised Statutes Cumulative Supplement, 2014, is amended to read:

53-101 Sections 53-101 to 53-1,122 and section 2 of this act shall be known and may be cited as the Nebraska Liquor Control Act.

Sec. 2. (1) The Legislature finds that encouraging manufacturers of beer to use beer-related crops grown in this state in their manufacturing operations will stimulate the creation of jobs and investments in small communities in this state, will encourage the use of lands upon which beer-related crops may be grown, and will provide tax revenue to the state which would not otherwise be realized. The Legislature intends to encourage the use of such beer-related crops by providing a nonrefundable tax credit as provided in this section.

(2) For purposes of this section, beer-related crop means barley, hops, or any other grain customarily used in the manufacture of beer.

(3) A nonrefundable credit against the tax imposed in section 53-160 shall be allowed to any manufacturer of beer if at least ten percent of the beer-related crops used by such manufacturer in the previous calendar year were grown in this state. The credit shall be an amount equal to the percentage specified in subsection (4) of this section multiplied by the total amount of tax paid under section 53-160 in the previous calendar year on the first twenty thousand barrels of beer sold by such manufacturer.

(4) The percentage used to determine the credit shall be as follows:

(a) If at least ten percent but less than forty percent of the beer-related crops used by the manufacturer in the previous calendar year were grown in this state, then the percentage used to determine the credit shall be fifteen percent;

(b) If at least forty percent but less than seventy percent of the beer-related crops used by the manufacturer in the previous calendar year were grown in this state, then the percentage used to determine the credit shall be twenty-five percent; and

(c) If at least seventy percent of the beer-related crops used by the manufacturer in the previous calendar year were grown in this state, then the percentage used to determine the credit shall be thirty-five percent.

(5) A manufacturer of beer shall apply for the credit to the commission on a form prescribed by the commission. The application shall be submitted on or before January 25 of each year and shall contain the following information:

(a) The name of the manufacturer;

(b) The total number of barrels of beer sold and the total amount of tax paid under section 53-160 during the previous calendar year;

(c) The percentage of beer-related crops used by the manufacturer in the previous calendar year that were grown in this state; and

(d) Such other information as required by the commission to verify that the manufacturer is qualified to receive the credit allowed under this section and to calculate the amount of the credit.

(6) If the manufacturer of beer qualifies for the credit, the commission shall approve the application and notify the manufacturer of the amount of the credit approved. The manufacturer may then claim the credit on the reports due each month under section 53-164.01 as an offset against the taxes due pursuant to such reports until the credit is fully utilized or until the following December 31, whichever occurs first.

Sec. 3. Original section 53-101, Revised Statutes Cumulative Supplement, 2014, is repealed.