

## **Wage and Investment Levels for 2015 Nebraska Advantage Act Applications**

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### **Issue**

What are the required wage and investment levels for Nebraska Advantage Act applications filed on or after January 1, 2015?

### **Conclusion**

Beginning with applications filed on or after January 1, 2015, an applicant must meet the following minimum wage and investment requirements to qualify for benefits under the Nebraska Advantage Act:

- **Tier 1** applicants must meet an investment requirement of \$1 million, and an average annual wage requirement of \$23,979 for at least 10 new employees;
- **Tier 2** applicants must meet an investment requirement of \$3 million, and an average annual wage requirement of \$23,979 for 30 new employees;
- **Tier 2 large data center** applicants must meet an investment requirement of \$203 million in qualified property at the data center, and an average annual wage requirement of \$23,979 for 30 new employees at the data center;
- **Tier 3** applicants must meet an average annual wage requirement of \$23,979 for 30 new employees;
- **Tier 4** applicants must meet an investment requirement of \$12 million, and an average annual wage requirement of \$23,979 for 100 new employees;
- **Tier 5** applicants must meet an investment requirement of \$37 million;
- **Tier 5 renewable energy project** applicants must meet an investment requirement of \$20 million; and
- **Tier 6** applicants must meet an investment requirement of \$11 million and an employment requirement of 75 new employees; or an investment requirement of \$111 million and an employment requirement of 50 new employees. **Tier 6** applicants must also meet an average annual wage requirement of at least \$58,948. **Note:** Wage requirements may vary based upon the county or counties where the project is located.

### **Analysis**

The Nebraska Advantage Act requires investment thresholds for all projects, except for Tier 5 renewable energy projects, to be indexed for inflation on October 1 of each year. These new investment thresholds apply to all applications filed on or after January 1 of the following year. See [Neb. Rev. Stat. § 77-5725\(9\)](#).

The index is calculated as the result of the 12 most recent [Producer Price Indexes \(PPI\)](#) (published monthly by the U.S. Department of Labor, Bureau of Labor Statistics), divided by the PPI for the first quarter of 2006 for **Tier 1**, **Tier 2**, **Tier 4**, and **Tier 5** applicants, the first quarter of 2008 for **Tier 6** applicants, or the first quarter of 2012

for **Tier 2 large data center** applicants, multiplied by the applicable investment threshold for each respective tier. See [Neb. Rev. Stat. § 77-5725\(1\)](#). The result is rounded to the next lowest \$1 million. Adjustments do not apply to projects after the year of application.

Under the Nebraska Advantage Act, **Tier 1, Tier 2, Tier 2 large data center, Tier 3, and Tier 4** applicants may be entitled to a credit of 3% to 6% of the average wage paid to new employees, if the wage equals at least 60% of the Nebraska average annual wage for the year of application. **Tier 6** applicants may be entitled to a credit of 10% of the average wage paid to all employees employed at the project (excluding base-year employees) if the wage exceeds the greater of 200% of the county average weekly wage, or 150% of the state average weekly wage for the year of application. Wages are defined as compensation subject to the federal Medicare tax. Also, the wage credit is not available for compensation in excess of \$1 million paid in a year to any employee for a project in any tier. See [Neb. Rev. Stat. § 77-5725\(3\) and \(4\)](#).

Wage levels for the Nebraska Advantage Rural Development Act are set by [Neb. Rev. Stat. § 77-27,188\(1\)\(b\)](#), based on the growth in the rural Nebraska average wage. The wage limit for the Nebraska Advantage Microenterprise Tax Credit Act is established in [Neb. Rev. Stat. § 77-5903](#) at 150% of the Nebraska average weekly wage.

<b>Nebraska Advantage Act</b>		
<b>Tier</b>	<b>2014 Required Investment</b>	<b>2015 Required Investment</b>
Tier 1	\$ 1 million	\$ 1 million
Tier 2	\$ 3 million	\$ 3 million
Tier 2 Large Data Center	\$ 201 million	\$ 203 million
Tier 4	\$ 12 million	\$ 12 million
Tier 5	\$ 37 million	\$ 37 million
Tier 5 Renewable Energy	\$ 20 million	\$ 20 million
Tier 6	\$ 11 million or \$110 million	\$ 11 million or \$111 million
<b>Compensation Credit</b>	<b>2014 Required Annual Wage Level</b>	<b>2015 Required Annual Wage Level</b>
3%	\$ 23,561	\$ 23,979
4%	\$ 29,451	\$ 29,974
5%	\$ 39,268	\$ 39,965
6%	\$ 49,085	\$ 49,956
10%	\$ 58,902*	\$ 58,948*

\***Tier 6** only, state-wide average. Wage levels for each county are [available here](#).

<b>Nebraska Advantage Rural Development Act</b>	
<b>2014 Required Wage Level</b>	<b>2015 Required Wage Level</b>
\$11.96 per hour	\$12.33 per hour

<b>Nebraska Advantage Microenterprise Tax Credit Act</b>	
<b>2014 Maximum Wage Paid</b>	<b>2015 Maximum Wage Paid</b>
\$1,133 per week	\$1,154 per week

APPROVED:



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 Tax Commissioner  
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## Required Annual Wages by County for Tier 6 Applications Filed in 2011 through 2015

County	Required Annual Wages*				
	2011	2012	2013	2014	2015
Adams	\$61,396	\$63,960	\$65,248	\$67,350	\$67,672
Antelope	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Arthur	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Banner	\$61,156	\$66,408	\$67,464	\$65,266	\$70,028
Blaine	\$54,966	\$55,986	\$58,186	\$58,902	\$59,948
Boone	\$54,966	\$56,960	\$59,258	\$61,138	\$63,504
Box Butte	\$58,198	\$60,490	\$63,942	\$63,920	\$66,004
Boyd	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Brown	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Buffalo	\$62,984	\$66,826	\$67,334	\$69,690	\$69,572
Burt	\$54,966	\$55,986	\$57,552	\$59,070	\$60,462
Butler	\$59,922	\$62,600	\$64,650	\$66,996	\$66,202
Cass	\$58,334	\$60,250	\$63,158	\$65,426	\$66,850
Cedar	\$54,966	\$56,522	\$60,758	\$62,438	\$62,340
Chase	\$56,562	\$59,234	\$62,440	\$63,888	\$65,502
Cherry	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Cheyenne	\$71,646	\$81,652	\$85,890	\$99,376	\$103,758
Clay	\$63,560	\$66,244	\$68,362	\$70,964	\$72,590
Colfax	\$62,128	\$63,774	\$64,930	\$66,738	\$70,162
Cuming	\$58,220	\$59,364	\$64,306	\$65,598	\$67,680
Custer	\$57,346	\$58,786	\$60,514	\$63,234	\$66,646
Dakota	\$65,612	\$70,126	\$69,882	\$70,344	\$72,854
Dawes	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Dawson	\$58,948	\$61,390	\$63,166	\$64,222	\$65,010
Deuel	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Dixon	\$55,788	\$58,482	\$57,404	\$58,902	\$61,064
Dodge	\$60,528	\$64,924	\$63,766	\$64,444	\$66,522
Douglas	\$85,972	\$86,416	\$88,082	\$90,104	\$91,490
Dundy	\$61,054	\$60,044	\$62,936	\$63,624	\$71,572
Fillmore	\$57,658	\$58,114	\$60,520	\$64,596	\$67,066
Franklin	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Frontier	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Furnas	\$55,996	\$57,240	\$59,412	\$61,712	\$62,406
Gage	\$57,494	\$58,488	\$60,510	\$61,668	\$63,326
Garden	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Garfield	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Gosper	\$54,966	\$58,048	\$57,906	\$61,044	\$60,882
Grant	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Greeley	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Hall	\$63,666	\$66,188	\$67,368	\$68,362	\$69,572
Hamilton	\$63,662	\$65,626	\$66,490	\$69,592	\$72,338
Harlan	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Hayes	\$54,966	\$55,986	\$57,404	\$58,902	\$60,308
Hitchcock	\$60,194	\$68,042	\$67,314	\$66,306	\$68,512
Holt	\$54,966	\$55,986	\$58,162	\$60,260	\$62,268
Hooker	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Howard	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Jefferson	\$54,966	\$55,986	\$58,884	\$59,218	\$59,948
Johnson	\$62,740	\$63,692	\$61,108	\$63,952	\$63,850
Kearney	\$56,426	\$57,288	\$57,604	\$61,860	\$64,496
Keith	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Keya Paha	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Kimball	\$55,336	\$57,774	\$60,450	\$73,464	\$76,626
Knox	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Lancaster	\$72,954	\$74,470	\$76,500	\$78,310	\$79,102
Lincoln	\$62,012	\$63,226	\$65,560	\$67,492	\$67,772
Logan	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948

County	Required Annual Wages* (continued)				
	2011	2012	2013	2014	2015
Loup	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Madison	\$62,826	\$63,788	\$65,872	\$67,314	\$69,016
Mcperson	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Merrick	\$54,966	\$56,246	\$59,558	\$62,250	\$65,662
Morrill	\$58,760	\$59,854	\$62,818	\$63,492	\$68,020
Nance	\$54,966	\$55,986	\$59,224	\$60,962	\$62,232
Nemaha	\$89,162	\$87,626	\$93,370	\$93,728	\$94,232
Nuckolls	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Otoe	\$59,778	\$61,678	\$63,210	\$64,278	\$65,664
Pawnee	\$57,316	\$56,852	\$57,404	\$58,902	\$59,948
Perkins	\$61,612	\$65,930	\$68,210	\$70,394	\$73,638
Phelps	\$64,914	\$66,902	\$68,636	\$70,546	\$72,180
Pierce	\$54,966	\$55,986	\$57,868	\$60,504	\$61,630
Platte	\$65,614	\$67,612	\$69,810	\$70,622	\$72,490
Polk	\$55,400	\$55,986	\$57,404	\$60,672	\$61,528
Red Willow	\$55,178	\$58,504	\$61,312	\$63,054	\$63,564
Richardson	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Rock	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Saline	\$68,336	\$68,406	\$69,746	\$72,164	\$73,076
Sarpy	\$71,020	\$73,356	\$75,308	\$78,160	\$79,470
Saunders	\$55,292	\$55,992	\$57,810	\$60,570	\$62,110
Scotts Bluff	\$62,564	\$64,460	\$67,638	\$69,494	\$69,208
Seward	\$61,966	\$65,534	\$68,722	\$70,746	\$71,112
Sheridan	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Sherman	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Sioux	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Stanton	\$87,104	\$89,634	\$93,610	\$97,378	\$97,394
Thayer	\$60,148	\$61,056	\$64,966	\$69,754	\$72,300
Thomas	\$56,278	\$60,160	\$57,868	\$58,902	\$59,948
Thurston	\$69,642	\$71,042	\$74,770	\$76,636	\$76,728
Valley	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Washington	\$87,366	\$88,244	\$93,524	\$96,098	\$101,238
Wayne	\$54,966	\$55,986	\$57,404	\$58,902	\$60,272
Webster	\$54,966	\$55,986	\$57,404	\$58,902	\$59,948
Wheeler	\$56,308	\$57,330	\$61,054	\$70,714	\$64,876
York	\$59,818	\$61,702	\$65,402	\$66,476	\$68,822

\*The required compensation for a county is equal to the greater of: (a) 200% of the county average weekly wage; or (b) 150% of the state average weekly wage. If the project is located in more than one county, the higher county average weekly wage is used to determine the required compensation. See [Neb. Rev. Stat. § 77-5719.01](#).

Source: Historical Employment and Wages in Nebraska, Nebraska Department of Labor ([Neb. Rev. Stat. § 77-5712](#)).