

**Schedule II —
Nebraska Advantage Act Ownership Analysis and Distribution of Tax Credits**

Name on Return	Project Number	Date of Application	Nebraska ID Number	Year End
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If tax credits are distributed, check box below:

Distribution by Applicant Redistribution of Tax Credits Received from _____

Project Owner _____

1 Total tax credits distributed to partners, shareholders, members, patrons, or beneficiaries **1**

A Name of Partner, Shareholder, Member, Patron, or Beneficiary	B Social Security or Nebraska ID Number	C Percentage Share of Ordinary Income	D Is this an individual?		E Is this a political subdivision or 501(c) or (d) organization?		F Eligible Ownership Percentage	G Amount of Tax Credit (Column C x line 1)
			Yes	No	Yes	No		
2 a*		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
b		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
c		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
d		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
e		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
f		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
g		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
h		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
i		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
j		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
k		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
l		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
m		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
n		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
o		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
p		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
q		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
r		%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	%	
3 In column G, total the tax credits on lines 2a through 2r . .		100%						
4 In Column F, total the eligible ownership (Add lines 2a through 2r)							%	

* If you distributed tax credits, you must notify each recipient (listed on line 2) of their distributed share of the tax credit, the project owner's name, the project's number, and the project's tax year end. This information will allow the recipient to complete their Form 3800N.

Instructions for Nebraska Schedule II – Ownership Analysis and Distribution of Tax Credits

Who Must Complete – Ownership Analysis. A project with an application date prior to September 6, 2013 must file a Nebraska Schedule II for each entity listed on page 3 of the application as an entity performing a qualified business activity at the project that is a: partnership; limited liability company that has elected to be taxed as a partnership; cooperative; limited cooperative association; or joint venture.

Who Must Complete – Distribution Of Tax Credits (Tiers 1, 2, 3, 4, and 6). A project owner who is a partnership, S corporation, limited liability company which has elected to be taxed as a partnership, cooperative, limited cooperative association, estate, or trust must file Schedule II and complete the distribution of tax credits information for every year the project owner elects to make a distribution.

A recipient of tax credits, that is one of the entity types listed above must file Schedule II and complete the distribution of tax credits information for every year the recipient elects to further distribute the tax credits to its owners.

Instructions for Boxes in the Heading

Project Number. Enter the project number stated in the heading of the project agreement.

Date of Application. Enter the date of application shown in paragraph 1(a) of the project agreement.

Nebraska ID Number. Enter the Nebraska ID number assigned by the Department or the individual's Social Security number.

Year End. Enter the project's year end date for this Form 312N.

Project Owner. Enter the name of the applicant or the person who received the project in its entirety by transfer.

General Instructions

Ownership Analysis.

Applications dated from July 15, 2010 to September 5, 2013. Projects that have ownership interests of 20% or more from a political subdivision or an IRC § 501(c) or (d) organization are not eligible to receive benefits under the Act. Eligible projects must show an ownership percentage by these types of entities of less than 20%. This ownership analysis applies to a: partnership; limited liability company that has elected to be taxed as a partnership; cooperative; limited cooperative association; or joint venture.

Applications dated prior to July 15, 2010. Projects that have ownership interests of 10% or more from a political subdivision or an IRC § 501(c) or (d) organization are not eligible to receive benefits under the Act. Eligible projects must show an ownership percentage by these types of entities of less than 10%. This ownership analysis applies to a: partnership; limited liability company that has elected to be taxed as a partnership; cooperative; limited cooperative association; or joint venture.

Distribution of Tax Credits. A project owner or recipient of tax credits that is a partnership; S corporation; limited liability company that has elected to be taxed as a partnership; cooperative; estate; or trust, may elect to distribute all or part of the tax credits to its owners. The tax credits must be distributed in the same manner as ordinary income is distributed. The tax credits may be used by the recipient for the tax year of the distribution or a later tax year, until the end of the carryover period. The tax credits may be used to offset the recipient's Nebraska income tax liability, and they are not refundable.

The distribution of tax credits is considered a use of the tax credits and cannot be reduced at a later time. Recapture, if applicable, is based on the amount of tax credits distributed. It is not based on the amount of tax credits actually used by the recipients.

Specific Line Instructions

Line 1. Enter the total tax credits distributed to partners, shareholders, members, patrons, or beneficiaries here. If this is a distribution by the project holder, also enter on Form 312N, page 2, line 20.

Line 2. Enter each partner's, shareholder's, member's, patron's, or beneficiary's name, Social Security number or Nebraska ID number, percentage share of ordinary income, and distributed share of the tax credits reported.

Columns D, E, and F are not required for: any S corporation distributing tax credits; any recipient further distributing tax credits; or any project with an application date on or after September 6, 2013.

Column D. State whether each owner is an individual.

- For each line where the answer in column D is Yes, skip column E and enter in column F the percentage share of income from column C.
- For each line where the answer in column D is No, complete column E.

Column E. For each line where the answer in column D is No, state whether each owner is a political subdivision or an organization described in IRC § 501(c) or (d) and attach Schedule IV – Nebraska Advantage Act Ownership Verification

Statement that has been completed by an authorized representative of that entity.

Column F. Determine the ownership eligibility for each owner listed.

- If the answer in column D is Yes, enter the percentage share of income from column C.
- If the answer in column D is No and the answer in column E is No, enter the percentage share of income from column C.
- If the answer in column D is No and the answer in column E is Yes, enter zero (-0-).

Column G. Multiply the percentage in column C by the total distribution on line 1.

Line 3, Column C. The total of all the percentages must be 100%, other than for rounding differences.

Line 3, Column G. Total all of the tax credits distributed on line 2. The total must equal the amount of distributed tax credits on line 1, other than for rounding differences.

Line 4. Total all of the eligible ownership percentages on line 2, column F. The total must be more than 90% for a project with an application date prior to July 15, 2010; or more than 80% for a project with an application date from July 15, 2010 to September 5, 2013. If the column total is less than the required percentage, the project is not eligible to receive benefits under the Act. [Contact the Department](#) for more information.