

nebraska

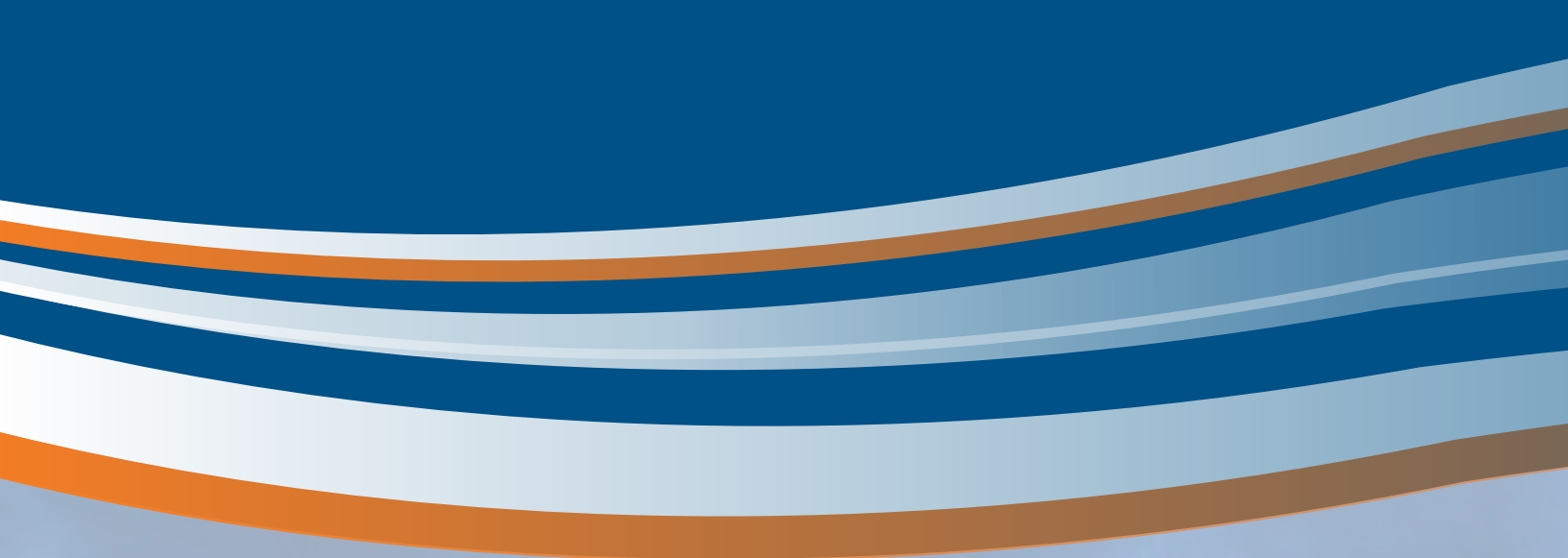
neded.org



Executive Overview



NEBRASKA
Advantage
NebraskaAdvantage.com



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Why Nebraska?

Nebraska offers a unique opportunity for business success and productivity. A pro-business climate, unmatched work ethic and central location combine to create a vast market potential. More than 55 million people are located within a 500-mile radius of Nebraska.

Among the state's tremendous advantages are:

- Nebraska's well-educated labor market is available and ready to help your business succeed.
- More than 30,600 students graduated from a Nebraska post-secondary institution in 2013. In addition to new college graduates, customized job training programs and other forms of assistance are offered to help businesses find the necessary talent.
- Nebraska is in the center of the NAFTA trade corridor. Convenient air, rail and ground transportation are a few of the many logistical benefits.
- The Nebraska Advantage incentives package emphasizes capital investment, innovation, and the creation of jobs and training of workers who accept those jobs. No inventory tax, state property tax and intangible tax are just a few of the many ways businesses can save money by locating in Nebraska.

#4

Best Run States in America

24/7 Wall St. 2013

#11

Top States for Economic Competitiveness

Beacon Hill Institute 2013

#2

Top 10 Pro-Business States

Pollina Corporate Real Estate Report 2013

#10

Best State Overall for newly established operations, and for both new corporate headquarters and new call centers

Tax Foundation 2012

- Nebraska offers a unique quality of life with a wide variety of entertainment and recreation amenities.
- A 100 percent public power system – the only state in the nation that offers it – provides customers with electrical power at some of the lowest rates in the nation. Nebraska offers dependable electrical and natural gas at below-average costs.
- Industrial sites and buildings are ready for immediate occupancy. There are a wide variety of incentive programs and opportunities available to help your business locate to and succeed well into the future in Nebraska. We are ready to assist you.

Workforce

Nebraska competes nationally with a large workforce at consistently below-average wages compared with national statistics.

#2

Employment Leaders

Business Facilities 2013

#2

Best State for Job Seekers

AOL Jobs 2012

#6

**State Workforce
Training Leaders**

Business Facilities 2012

Nebraska: A Leader in Manufacturing

Nebraska employs more than 96,605 in the manufacturing industry. Manufacturers account for 12.5 percent of the total output in the state, employing 9.6 percent of the workforce. There are more than 1,888 manufacturing establishments in Nebraska. Total output from manufacturing was \$12.5 billion in Nebraska in 2012.

Workforce Employment and Wages by Occupation Group

Occupational Group	Nebraska Employment	Nebraska Median Wage	US Median Wage
Management	31,080	40.21	45.15
Business and Financial Operations	42,340	27.09	30.05
Computer and Mathematical	24,850	32.28	36.67
Office and Administrative Support	153,120	13.67	15.15
Production	77,540	14.46	14.87
Transportation and Material Moving	80,580	14.08	13.92

Occupational Employment Statistics, 2012

#13

Scores and Percentage of Students Taking ACT

ACT 2013

#10

College Affordability

Enterprising States 2013

#14

Educational Attainment

Enterprising States 2013

#9

Higher Education Degree Output and Efficiency

Enterprising States 2013



*More than 30,600 students graduated from a **Nebraska** post-secondary institution in 2013.*

	Student Teacher Ratio	% Completed High School	% Completed Bachelors Degree	% Completed a Graduate/ Professional Degree
Nebraska	13.36	90.4%	28.1%	9.1%
United States	15.97	85.7%	28.5%	10.6%

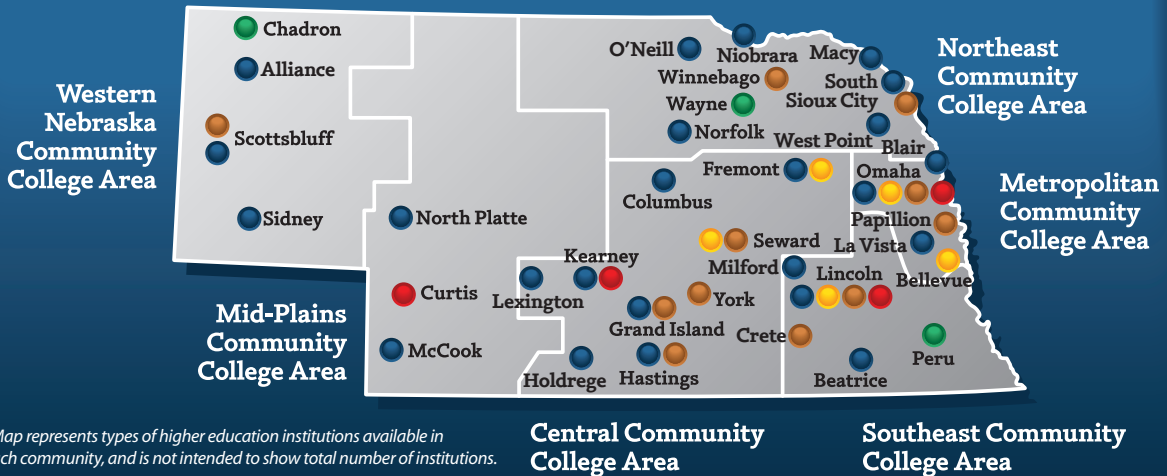
National Center for Education Statistics, 2010-2011; U.S. Census Bureau, 2008-2012, American Community Survey, 2012

Education

- There are currently 14 community colleges that can assist industries with setting up training programs based on mutually agreeable cost-sharing arrangements.
- There are currently 22 universities and colleges that offer a variety of programs statewide.
- With more than 50,000 students, the University of Nebraska system has four universities and one technical college producing more than 10,600 graduates in 2013.
- Top 10 - Science and Engineering Doctorates conferred per 1,000 S&E doctorate holders
- Top 10 - Bachelor's degrees conferred per 1,000 individuals 18-24 years old
- Top 15 - Postsecondary degree holders among individuals 25-44 years old

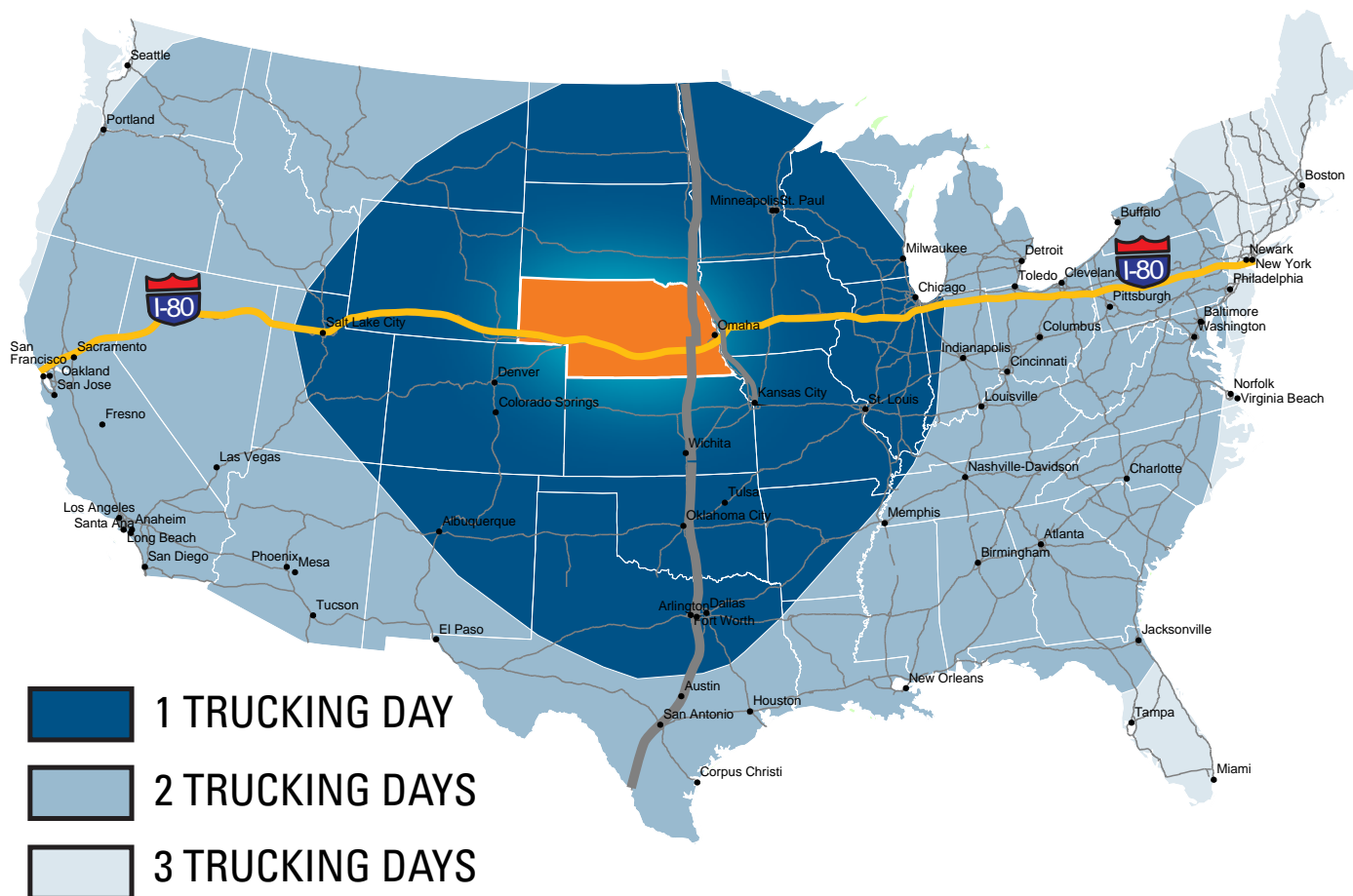
Nebraska's Higher Education Facilities

● Community College	● Indep. University
● State College	● Indep. College
● University of Nebraska	



Business Logistics

Nebraska's central location, combined with the transportation advantages of a major river, strong rail and truck services, air service equal to other Midwest states, and a major national interstate highway crossing the entire state, gives Nebraska access to all major U.S. and overseas markets.



Business Logistics

Nebraska employs more people in the trucking industry than anywhere else in the nation, as a percentage of total employment. The state had the highest job growth in the nation for the transportation, distribution, warehousing and logistics sector in 2013.

#16

Growth in Share of National Exports

Enterprising States 2013

#11

Export Growth

Enterprising States 2013

- I-80 and connecting interstate roadways offer easy, direct transportation to major markets including Denver, Salt Lake City, Des Moines, Chicago, and Detroit.
- Nebraska is in the center of the NAFTA trade corridor.
- Nebraska competes globally. Total exports totaled \$7.5 billion in 2011, representing a 31% increase from 2010, and a 19.4% increase from 2009.
- Nebraska has two foreign trade zones, #59 in Lincoln and #19 in Omaha.
- Werner Enterprises Inc. and Crete Carrier Corp.

- two of the nation's top 10 trucking companies – are headquartered in Nebraska.
- The state possesses an estimated 13,500 licensed motor carrier companies and 815,000 power units.
- Eighty-four public commercial and municipal airports serve Nebraska communities. Eleven commercial airlines serve ten airports in the state, providing direct service to both coasts.
- Six commercial service airports are located across the state.
- Two Class 1 railways, Union Pacific and

Burlington Northern Santa Fe (BNSF), serve more than 4,000 miles of track in the state. From its base of operations in Omaha, Union Pacific Railroad provides service spanning 32,000 route miles to 23 states across the western two-thirds of the country. BNSF's parent company, Berkshire Hathaway Inc., is a prominent fixture in Omaha, and the railroad maintains rail yards in Lincoln and Alliance, Nebraska. BNSF operates about 32,000 route miles in 28 states and two Canadian provinces.

Business Costs & Climate

#1

Best state overall for newly established operations, and for both new corporate headquarters and new call centers

American Trucking Trends

#2

Employment Leaders

Business Facilities 2013

#2

Best state for mature R&D operations, with a total tax burden nearly 50 percent less than the national average, and for both new capital-intensive and new labor-intensive manufacturing

Tax Foundation 2012

#4

Least Costly States for Hiring New Employees

Kauffman Foundation 2012

Nebraska is the only U.S. state served entirely by publicly-controlled utilities – providing customers with electrical power at some of the **lowest rates in the nation.**

Nebraska is a **Right to Work state.**

Nebraska Advantage

The Nebraska Advantage incentives package enhances the state's business climate and makes it a preferred location for starting and growing business. The package emphasizes capital investment, innovation, job creation and provides training for workers who accept those jobs. Incentives include:

- Sales-only formula used to calculate corporate income tax liability
- No state property tax
- No inventory tax
- No personal property tax on intangibles
- 100% depreciation for personal property tax
- Sales tax exemptions
- Sales and use tax refunds on certain property

Business Costs & Climate

Corporate Income Tax

The Nebraska corporate income taxes are based on federal taxable income attributable to Nebraska operations. The 2012 tax rates are:

First \$100,000 of income	5.58%
Income greater than \$100,000	7.81%

Sales and Use Tax

The Nebraska sales and use tax is imposed on the sales transaction and collected by the retailer from the consumer. The state rate is 5.5%. Nebraska exempts capital equipment used in the manufacturing process from sales tax.

Personal Property Tax

Business inventories and certain classes of personal property are exempt from property taxation. Intangible property and household items are also exempt. Other classes of property exempt from taxation include: agricultural machinery, livestock, grain and seed, poultry, fish, honey bees, feed, fertilizer and farm inventory.

Unemployment Insurance Tax

The Nebraska unemployment insurance tax rate as percent of taxable wages is 3.23%. The average unemployment insurance tax per employee is \$288.

Source: Nebraska Department of Labor, 2011/2012

Fortune Ranked Companies

Fortune 500s	Fortune 1000s
Berkshire Hathaway, Inc.	Cabela's, Inc.
Union Pacific Corp.	Green Plains Renewable Energy, Inc.
ConAgra Foods, Inc.	TD AMERITRADE
Peter Kiewit Sons' Inc.	Valmont Industries, Inc.
Mutual of Omaha	Werner Enterprises
	West Corporation

Nebraska is the only state in the nation with electric service provided entirely by public utilities. The average total electricity cost per kWh is 13% below the U.S. average.

These public power systems control an efficient and dependable mix of generating systems that supply low-cost power for current and future needs. Nebraska's efficient statewide grid system with regional interconnections assures reliable services, adequate supply, and **rates that are among the lowest in the nation** for industrial, commercial, and residential users.

Nebraska's telecommunications companies were national leaders in adopting modern fiber optic and digital-switching technology. These companies provide Nebraska businesses with state-of-the-art telecommunications facilities. With **one of the most advanced, competitive telecommunications environments in the world**, Nebraska helps sustain United States Strategic Air Command, as well as many financial, information technology and customer service companies. The state is rich in dark and lit fiber. A vast network of multiple local carriers and numerous long haul carriers traverse the state along Interstate 80 and other essential transportation corridors in all directions. Nebraska's central locality is key to the connections these carriers make in Denver and Chicago, continuing on throughout the U.S. and around the world.

#2

Lowest Overall Energy Costs

Small Business & Entrepreneurship Council

#6

for Wind Energy

U.S. Department of Energy

#16

for Solar Energy

U.S. Department of Energy

	Total Price (Cents Per kWh) 2013	Natural Gas Industrial Price (Nominal dollars) 2012
Nebraska	9.14	4.34
Minnesota	10.12	4.48
Missouri	10.51	7.93
Wisconsin	10.91	5.81
North Dakota	8.92	4.14
Michigan	11.75	7.38
Colorado	10.34	5.79
South Dakota	9.20	5.37
Kansas	10.01	3.95
Arizona	10.89	5.78
California	16.22	5.77
New York	16.14	6.92
US Average	10.47	3.89

U.S. Energy Information Administration

Quality of Life

*Simply put, “QUALITY” is exactly the kind of lifestyle you’ll find in **Nebraska**. Wide open spaces, fresh, clean air and water, outstanding educational opportunities, abundant recreational and entertainment amenities, excellent health care facilities and services, minimal commute times, and pretty much affordable everything—from housing to consumer goods to entertainment to basic services.*

For example, Bellevue, Nebraska, the state’s third-fastest growing city, not only ranks 36th on CNN’s Top 100 Best Places to Live list in 2012, but ranked 5th on its Most Affordable Homes list for 2011, where a family can purchase a safe, affordable home in the \$124,000 median price range.



#2

Happiest States in America

MainStreet.com 2011

#8

Nation’s Least Economic-Stressed State

Gallup 2012

#6

Credit Quality
Business Facilities 2013

#3

Top 10 States for Young Adults

Money-rates.com 2013

State Assistance

Nebraska Advantage

When you invest here and hire Nebraskans, the Nebraska Advantage Incentives Package provides business benefits from reduced or virtually-eliminated corporate income, to sales taxes, personal property taxes and real estate taxes. The multi-tiered incentive package rewards businesses according to performance.

www.NebraskaAdvantage.com

Nebraska Research and Development Advantage

The Nebraska Research and Development Advantage offers a state tax credit that may be utilized to increase research and development activities through partnerships with Nebraska businesses and state colleges and universities. Unique to Nebraska, is the ability of the business to receive a "refundable or cash credit." This suggests that a business may receive the cash refund without first establishing any earnings. The cash refund limits itself to the amount of state sales and use taxes paid, either directly or indirectly, by the taxpayer on the qualifying expenditures.

Nebraska's Customized Job Training Program

Nebraska's Customized Job Training program provides employee training assistance to businesses that maintain, expand and diversify the state's economic base and, in the process, retain and create quality jobs for Nebraska residents.

#1

Tax Environment for New Firms

Enterprising States 2012

#4

Best Run States in America

24/7 Wall St. 2013

#4

Top States for Economic Competitiveness

CNBC 2013

#6

Best States for Credit

Fox Business Network 2012

#9

Best State for Taxes & Regulations: Existing Businesses

Tax Foundation 2012

State Assistance

Intern Nebraska Program

neded.org/InternNE

The Intern Nebraska Program helps businesses create and fund new internship positions for college and university students to gain job experience while working with companies across the state.

Site and Building Development Fund

neded.org/SiteAndBuilding

The Site and Building Development Fund provides funding to create industrial-ready, available sites and buildings.

Business Innovation Act

neded.org/BusinessInnovationAct

The Business Innovation Act provides funding to help businesses develop new technologies that lead to quality job opportunities across the state. Competitive grants will provide funding and technical assistance for research at Nebraska institutions, new product development and testing, and to help expand small business and entrepreneur outreach efforts.

Nebraska Progress Loan Fund

neded.org/SSBCI

The Nebraska Progress Loan Fund makes loans to qualifying small businesses, generally representing existing and start-up businesses.

Angel Investment Tax Credit

neded.org/AngelInvestmentTaxCredit

The Angel Investment Tax Credit encourages investment in high-tech and other startup Nebraska enterprises by helping attract private funding. The tax credit is refundable and available to a wide range of industries making Nebraska's Angel Investment Tax Credit one of the most competitive in the nation.

Available Sites and Building

neded.org/NebraskaSitesAndBuildings

Visit for available sites and buildings, community profiles, and ESRI demographic reports.

More program information and additional assistance is available at neded.org

Nebraska Department of Economic Development

**301 Centennial Mall South, P.O. Box 94666
Lincoln, NE 68509-4666
800-426-6505 | 402-471-3111**

Additional Rankings

Workforce

#6

**Best State for
Business and Careers**

Forbes 2013

Business Cost and Climate

#2

**Top 10 Pro-Business
States**

*Pollina Corporate Real
Estate Report 2013*

#6

Best States for Credit
*Fox Business Network
2012*

#9

**Best State for Taxes
and Regulations:
Existing Businesses**
Tax Foundation 2012

#4

**Top States
for Economic
Competitiveness**

CNBC 2013

#9

**Best State for Growth
& Innovation**
*U.S. Chamber of
Commerce Report 2011*

#10

**State's Best Business
Climate**
Business Facilities 2012

Quality of Life

#4

**Top States for
Volunteering**

*Corporation for National &
Community Service 2011*

#8

**Top States for Well-
Being**

Gallup 2012

#9

**Friendliest States in
the Nation**

*Thumbtack.com and
Kauffman Foundation
2012*

#4

**Top 10 Livable States
for the Future**

Gallup.org

#8

**States with the
Healthiest Housing
Markets**

CNBC 2011

#11

**The 20 Happiest,
Healthiest States in
America**

Gallup 2011

#5

**America's Healthiest
Housing Markets**

Lending Tree 2012



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Advantage
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