

NEBRASKA ADMINISTRATIVE CODE

TITLE 220 - DEPARTMENT OF LABOR

CHAPTER 16 - LIMITED LIABILITY COMPANIES AND LIMITED LIABILITY PARTNERSHIPS

001. This chapter is adopted pursuant to *Neb. Rev. Stat. §48-607* and is intended to distinguish between wages paid and distributions of profits made to a member of a limited liability company or a partner of a limited liability partnership.

002. For purposes of this chapter:

Limited liability company shall mean a domestic or foreign limited liability company as defined in the Limited Liability Company Act (*Neb. Rev. Stat. §21-2601, et seq.*); and

Limited liability partnership shall mean a domestic or foreign limited liability partnership as defined in the Uniform Partnership Act, Limited Liability Company Act (*Neb. Rev. Stat. §67-301, et seq.*); and

Wages shall mean wages as defined in the Employment Security Act (*Neb. Rev. Stat. §48-601, et seq.*).

003. Distribution of a share of the profits of a limited liability company or limited liability partnership to a member of the limited liability company or partner of a limited liability partnership shall be presumed to not be subject to the payment of combined tax except to the extent that the same are paid as wages.

004. Distribution of a share of the profits to a member of a limited liability company or partner in a limited liability partnership, shall be presumed to be paid as wages if:

- A. The distribution exceeds the proportion of the total paid in capital investment of the limited liability company or limited liability partnership owned by the person receiving the distribution; or

- B. The distribution is made based upon the number of hours, days, weeks or months the individual performed services for the limited liability company or limited liability partnership; or
- C. The distribution is made primarily based upon services performed for the limited liability company or limited liability partnership.