

HOUSE BILL NO. 1316

Introduced by

Representatives Berg, Carlson

1 A BILL for an Act to amend and reenact subdivision d of subsection 1 of section 57-38-01.2 and
2 subsection 2 of section 57-38-31 of the North Dakota Century Code, relating to the filing status
3 and reductions for married individuals filing the long-form income tax return; and to provide an
4 effective date.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subdivision d of subsection 1 of section 57-38-01.2 of the
7 North Dakota Century Code is amended and reenacted as follows:

- 8 d. (1) Reduced by three hundred dollars if the return filed is a joint return by
9 husband and wife. If separate returns are filed by husband and wife, ~~no~~
10 ~~deduction can be taken under this subdivision~~ each of them is entitled
11 to a reduction of three hundred dollars. This subdivision ~~shall~~ is not be
12 applicable to estates or trusts.
- 13 (2) Reduced by three hundred dollars if the return filed is the return of a
14 "head of household" as defined by the United States Internal Revenue
15 Code of 1954, as amended; provided, that the term "head of
16 household" ~~shall also include~~ includes a "surviving spouse" as defined
17 by ~~said that~~ code.
- 18 (3) Reduced by seven hundred fifty dollars for each adopted child who is
19 under the age of twenty-one years and who is either irreversibly
20 mentally retarded or, on the basis of the annual findings of a licensed
21 physician, is blind or disabled as determined pursuant to the provisions
22 of title XVI of the United States Social Security Act, provided the return
23 filed is the return of the parent of an adopted child and such child

qualifies as a dependent of such parent for federal income tax purposes.

(4) Reduced, up to a maximum of one thousand dollars, by the amount of filing fees, attorney's fees, and travel costs incurred in connection with an adoption and by the actual costs paid to a licensed child-placing agency in making the adoptive study and in supervising and evaluating the adoptive placement. Provided, however, that the reduction allowed under this paragraph ~~shall apply~~ applies only to ~~such the~~ adoption expenses of a child who qualifies under the provisions of paragraph 3.

(5) Reduced by one thousand dollars for each child under the age of twenty-one years adopted by the taxpayer. The reduction under this paragraph may be claimed only by an adoptive parent of an adopted child and the child must qualify as a dependent of the adoptive parent for federal income tax purposes. The reduction may be claimed by only one spouse, for spouses filing separately under this chapter. The reduction provided by this paragraph may be claimed only for the taxable year in which the adoption becomes final and the reduction does not apply to the adoption of children of the taxpayer's spouse.

SECTION 2. AMENDMENT. Subsection 2 of section 57-38-31 of the North Dakota Century Code is amended and reenacted as follows:

2. The same filing status and deduction method used by a husband and wife when filing federal income tax returns ~~must~~ need not be used when filing state income tax returns. If either spouse is a resident and the other is a nonresident, separate state income tax returns must be filed.

SECTION 3. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 2000.