

Introduced by

Senators Robinson, Wardner

Representative N. Johnson

1 A BILL for an Act to amend and reenact subsection 1 of section 57-35.3-05 of the North Dakota  
2 Century Code, relating to financial institutions tax credits for contributions to support institutions  
3 of higher education; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-35.3-05 of the North Dakota  
6 Century Code is amended and reenacted as follows:

- 7 1. a. There is allowed a credit against the tax imposed by sections 57-35.3-01  
8 through 57-35.3-12 in an amount equal to fifty percent of the aggregate  
9 amount of charitable contributions made by the taxpayer during the taxable  
10 year to ~~nonprofit private institutions~~ an institution of higher education ~~located~~  
11 ~~within the~~ in this state, a foundation or other organization exempt from federal  
12 taxation under section 501(c)(3) of the Internal Revenue Code [26 U.S.C.  
13 501(c)(3)] and established to support an institution of higher education in this  
14 state, or to the North Dakota independent college fund. The amount  
15 allowable as a credit under this subdivision for any taxable year may not  
16 exceed five and seven-tenths percent of the tax before credits allowed under  
17 this section, or two thousand five hundred dollars, whichever is less.
- 18 b. There is allowed a credit against the tax imposed by sections 57-35.3-01  
19 through 57-35.3-12 in an amount equal to fifty percent of the aggregate  
20 amount of charitable contributions made by the taxpayer during the taxable  
21 year to nonprofit private institutions of secondary education located within the  
22 state. The amount allowable as a credit under this subdivision for any taxable  
23 year may not exceed five and seven-tenths percent of the tax before credits

1                   allowed under this section, or two thousand five hundred dollars, whichever is  
2                   less.

3                   c. For the purpose of this subsection, the term "~~nonprofit private~~ institution of  
4                   higher education" means only a ~~nonprofit private~~ an educational institution  
5                   located in North Dakota which normally maintains a regular faculty and  
6                   curriculum and which normally has a regularly organized body of students in  
7                   attendance at the place where its educational activities are carried on, and  
8                   which regularly offers education at a level above the twelfth grade. The term  
9                   "nonprofit private institution of secondary education" means only a nonprofit  
10                  private educational institution located in North Dakota which normally  
11                  maintains a regular faculty and curriculum approved by the department of  
12                  public instruction and which normally has a regularly organized body of  
13                  students in attendance at the place where its educational activities are carried  
14                  on, and which regularly offers education to students in the ninth through  
15                  twelfth grades.

16                  d. For the purposes of this subsection, a taxpayer may elect to treat a  
17                  contribution as made in the preceding taxable year if the contribution and  
18                  election are made not later than the time prescribed for filing the return for the  
19                  taxable year.

20                  **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
21                  December 31, 2000.