

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1474

Introduced by

Representatives Kerzman, Gulleeson, L. Meier

Senators Dever, Kilzer

1 A BILL for an Act to create and enact a new subdivision to subsection 1 of section 57-38-01.2
2 and a new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota Century Code,
3 relating to an individual income tax deduction for expenses and lost wages incurred by an
4 individual who makes a donation of a human organ; and to provide an effective date.

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

6 **SECTION 1.** A new subdivision to subsection 1 of section 57-38-01.2 of the North
7 Dakota Century Code is created and enacted as follows:

8 Reduced by up to ten thousand dollars of qualified expenses that are related
9 to a donation by a taxpayer or a taxpayer's dependent, while living, of one or
10 more human organs to another human being for human organ
11 transplantation. A taxpayer may claim the reduction in this subdivision only
12 once for each instance of organ donation during the taxable year in which the
13 human organ donation and the human organ transplantation occurs but if
14 qualified expenses are incurred in more than one taxable year, the reduction
15 for those expenses must be claimed in the year in which the expenses are
16 incurred. For purposes of this subdivision:

- 17 (1) "Human organ transplantation" means the medical procedure by which
18 transfer of a human organ is made from the body of one person to the
19 body of another person.
- 20 (2) "Organ" means all or part of an individual's liver, pancreas, kidney,
21 intestine, lung, or bone marrow.
- 22 (3) "Qualified expenses" means lost wages not compensated by sick pay
23 and unreimbursed medical expenses as defined for federal income tax
24 purposes, to the extent not deducted in computing federal taxable

income, whether or not the taxpayer itemizes federal income tax
deductions, and not already deducted under subdivision e.

SECTION 2. A new subdivision to subsection 2 of section 57-38-30.3 of the North
Dakota Century Code is created and enacted as follows:

Reduced by up to ten thousand dollars of qualified expenses that are related
to a donation by a taxpayer or a taxpayer's dependent, while living, of one or
more human organs to another human being for human organ
transplantation. A taxpayer may claim the reduction in this subdivision only
once for each instance of organ donation during the taxable year in which the
human organ donation and the human organ transplantation occurs but if
qualified expenses are incurred in more than one taxable year, the reduction
for those expenses must be claimed in the year in which the expenses are
incurred. For purposes of this subdivision:

- (1) "Human organ transplantation" means the medical procedure by which
transfer of a human organ is made from the body of one person to the
body of another person.
- (2) "Organ" means all or part of an individual's liver, pancreas, kidney,
intestine, lung, or bone marrow.
- (3) "Qualified expenses" means lost wages not compensated by sick pay
and unreimbursed medical expenses as defined for federal income tax
purposes, to the extent not deducted in computing federal taxable
income, whether or not the taxpayer itemizes federal income tax
deductions.

SECTION 3. EFFECTIVE DATE. This Act is effective for taxable years beginning after
December 31, 2004.