

**HOUSE BILL NO. 1506**

Introduced by

Representatives Dosch, R. Kelsch, L. Meier, Pinkerton

A BILL for an Act to create and enact a new section to chapter 57-38 and a new subdivision to subsection 7 of section 57-38-30.3 of the North Dakota Century Code, relating to an income tax credit for contributions to school districts or nonpublic elementary and secondary schools in this state; and to provide an effective date.

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

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

**Elementary and secondary education contribution credit.** A taxpayer is entitled to a tax credit against tax liability as determined under section 57-38-29 or 57-38-30.3 equal to fifty percent of the amount of contributions during the taxable year by the taxpayer to a school district or an accredited nonpublic school in this state providing education to students in any grades from kindergarten through grade twelve. For purposes of this section, "contribution" means a donation to the school or payment of tuition for one or more students attending the school. The credit under this section is limited to one thousand dollars per taxable year for married taxpayers filing a joint return and five hundred dollars per taxable year for married taxpayers filing separate returns or a taxpayer filing a single return. The credit under this section may not exceed the taxpayer's tax liability for the taxable year.

**SECTION 2.** A new subdivision to subsection 7 of section 57-38-30.3 of the North Dakota Century Code is created and enacted as follows:

Elementary and secondary education contribution credit under section 1 of this Act.

**SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after December 31, 2008.