

Sixty-first  
Legislative Assembly  
of North Dakota

## HOUSE BILL NO. 1243

Introduced by

Representatives Ruby, Bellew, Nathe

Senators Dever, Hogue

1 A BILL for an Act to create and enact a new section to chapter 57-38 of the North Dakota  
2 Century Code, relating to a child individual income tax credit; to amend and reenact  
3 subsection 7 of section 57-38-30.3 of the North Dakota Century Code, relating to a child  
4 individual income tax credit; and to provide an effective date.

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

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

8 **Child income tax credit.** A taxpayer is entitled to a credit against the tax imposed  
9 under section 57-38-29 or 57-38-30.3 in the amount of one hundred dollars for each child of the  
10 taxpayer under the age of eighteen at the end of the taxable year and for whom the taxpayer is  
11 entitled to a personal exemption deduction for federal income tax purposes for that taxable  
12 year. Spouses filing a joint return may claim one credit for each child under this section. For  
13 parents filing separate returns, the credit for a child may be claimed only by:

- 14 1. The parent with whom the child resided for the greater part of the taxable year; or  
15 2. If the child resided with each parent for an equal amount of time during the taxable  
16 year, the parent with the higher federal adjusted gross income.

17 **SECTION 2. AMENDMENT.** Subsection 7 of section 57-38-30.3 of the North Dakota  
18 Century Code is amended and reenacted as follows:

- 19 7. A taxpayer filing a return under this section is entitled to the following tax credits:  
20 a. Family care tax credit under section 57-38-01.20.  
21 b. Renaissance zone tax credits under sections 40-63-04, 40-63-06, and  
22 40-63-07.  
23 c. Agricultural business investment tax credit under section 57-38.6-03.  
24 d. Seed capital investment tax credit under section 57-38.5-03.

- 1 e. Planned gift tax credit under section 57-38-01.21.
- 2 f. Biodiesel fuel tax credits under sections 57-38-01.22 and 57-38-01.23.
- 3 g. Internship employment tax credit under section 57-38-01.24.
- 4 h. Workforce recruitment credit under section 57-38-01.25.
- 5 i. Angel fund investment tax credit under section 57-38-01.26.
- 6 j. Microbusiness tax credit under section 57-38-01.27.
- 7 k. Marriage penalty credit under section 57-38-01.28.
- 8 l. Homestead income tax credit under section 57-38-01.29.
- 9 m. Commercial property income tax credit under section 57-38-01.30.
- 10 n. Research and experimental expenditures under section 57-38-30.5.
- 11 o. Child income tax credit under section 1 of this Act.

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