

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Berg

1 A BILL for an Act to amend and reenact section 57-38-30 of the North Dakota Century Code,
2 relating to reductions in corporate income tax rates; to repeal sections 57-38-01.3, 57-38-01.4,
3 57-38-11, 57-38-14, 57-38-30, 57-38-30.1, 57-38-30.5, 57-38-30.6, 57-38-32, and 57-38-60.1
4 and chapter 57-38.4 of the North Dakota Century Code, relating to corporate income taxes; and
5 to provide effective dates.

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

7 **SECTION 1. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
10 the taxable income of every domestic and foreign corporation which must be levied, collected,
11 and paid annually as in this chapter provided:

- 12 1. a. For the first three thousand dollars of taxable income, at the rate of ~~two~~ one
13 and six-tenths percent.
- 14 b. On all taxable income above three thousand dollars and not in excess of eight
15 thousand dollars, at the rate of ~~four~~ three and one-tenth percent.
- 16 c. On all taxable income above eight thousand dollars and not in excess of
17 twenty thousand dollars, at the rate of ~~five~~ four and six-tenths percent.
- 18 d. On all taxable income above twenty thousand dollars and not in excess of
19 thirty thousand dollars, at the rate of ~~six~~ five and four-tenths percent.
- 20 e. On all taxable income above thirty thousand dollars, at the rate of ~~six~~ five and
21 one-half percent.
- 22 2. A corporation that has paid North Dakota alternative minimum tax in years
23 beginning before January 1, 1991, may carry over any alternative minimum tax

credit remaining to the extent of the regular income tax liability of the corporation
for a period not to exceed four taxable years.

SECTION 2. AMENDMENT. Section 57-38-30 of the North Dakota Century Code is
amended and reenacted as follows:

57-38-30. Imposition and rate of tax on corporations. A tax is hereby imposed upon
the taxable income of every domestic and foreign corporation which must be levied, collected,
and paid annually as in this chapter provided:

1. a. For the first three thousand dollars of taxable income, at the rate of ~~two and~~
six-tenths of one percent.
- b. On all taxable income above three thousand dollars and not in excess of eight
thousand dollars, at the rate of ~~four~~ two and one-tenth percent.
- c. On all taxable income above eight thousand dollars and not in excess of
twenty thousand dollars, at the rate of ~~five~~ three and six-tenths percent.
- d. On all taxable income above twenty thousand dollars and not in excess of
thirty thousand dollars, at the rate of ~~six~~ four and four-tenths percent.
- e. On all taxable income above thirty thousand dollars, at the rate of ~~six~~ four and
one-half percent.
2. A corporation that has paid North Dakota alternative minimum tax in years
beginning before January 1, 1991, may carry over any alternative minimum tax
credit remaining to the extent of the regular income tax liability of the corporation
for a period not to exceed four taxable years.

SECTION 3. AMENDMENT. Section 57-38-30 of the North Dakota Century Code is
amended and reenacted as follows:

57-38-30. Imposition and rate of tax on corporations. A tax is hereby imposed upon
the taxable income of every domestic and foreign corporation which must be levied, collected,
and paid annually as in this chapter provided:

1. a. ~~For the first three thousand dollars of taxable income, at the rate of two and~~
~~six-tenths percent.~~
- b. On all taxable income above three thousand dollars and not in excess of eight
thousand dollars, at the rate of ~~four~~ one and one-tenth percent.

- 1 e- b. On all taxable income above eight thousand dollars and not in excess of
2 twenty thousand dollars, at the rate of ~~five~~ two and six-tenths percent.
- 3 ~~e-~~ c. On all taxable income above twenty thousand dollars and not in excess of
4 thirty thousand dollars, at the rate of ~~six~~ three and four-tenths percent.
- 5 e- d. On all taxable income above thirty thousand dollars, at the rate of ~~six~~ three
6 and one-half percent.

- 7 2. A corporation that has paid North Dakota alternative minimum tax in years
8 beginning before January 1, 1991, may carry over any alternative minimum tax
9 credit remaining to the extent of the regular income tax liability of the corporation
10 for a period not to exceed four taxable years.

11 **SECTION 4. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
14 the taxable income of every domestic and foreign corporation which must be levied, collected,
15 and paid annually as in this chapter provided:

- 16 1. a. ~~For the first three thousand dollars of taxable income, at the rate of two and~~
17 ~~six tenths percent.~~
- 18 ~~b-~~ On all taxable income above three thousand dollars and not in excess of eight
19 thousand dollars, at the rate of ~~four and~~ one-tenth of one percent.
- 20 e- b. On all taxable income above eight thousand dollars and not in excess of
21 twenty thousand dollars, at the rate of ~~five~~ one and six-tenths percent.
- 22 ~~e-~~ c. On all taxable income above twenty thousand dollars and not in excess of
23 thirty thousand dollars, at the rate of ~~six~~ two and four-tenths percent.
- 24 e- d. On all taxable income above thirty thousand dollars, at the rate of ~~six~~ two and
25 one-half percent.
- 26 2. A corporation that has paid North Dakota alternative minimum tax in years
27 beginning before January 1, 1991, may carry over any alternative minimum tax
28 credit remaining to the extent of the regular income tax liability of the corporation
29 for a period not to exceed four taxable years.

30 **SECTION 5. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
2 the taxable income of every domestic and foreign corporation which must be levied, collected,
3 and paid annually as in this chapter provided:

- 4 1. a. ~~For the first three thousand dollars of taxable income, at the rate of two and~~
5 ~~six tenths percent.~~
6 b. ~~On all taxable income above three thousand dollars and not in excess of eight~~
7 ~~thousand dollars, at the rate of four and one tenth percent.~~
8 e. On all taxable income above eight thousand dollars and not in excess of
9 twenty thousand dollars, at the rate of ~~five and~~ six-tenths of one percent.
10 d. b. On all taxable income above twenty thousand dollars and not in excess of
11 thirty thousand dollars, at the rate of ~~six~~ one and four-tenths percent.
12 e. c. On all taxable income above thirty thousand dollars, at the rate of ~~six~~ one and
13 one-half percent.
14 2. A corporation that has paid North Dakota alternative minimum tax in years
15 beginning before January 1, 1991, may carry over any alternative minimum tax
16 credit remaining to the extent of the regular income tax liability of the corporation
17 for a period not to exceed four taxable years.

18 **SECTION 6. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
21 the taxable income of every domestic and foreign corporation which must be levied, collected,
22 and paid annually as in this chapter provided:

- 23 1. a. ~~For the first three thousand dollars of taxable income, at the rate of two and~~
24 ~~six tenths percent.~~
25 b. ~~On all taxable income above three thousand dollars and not in excess of eight~~
26 ~~thousand dollars, at the rate of four and one tenth percent.~~
27 e. ~~On all taxable income above eight thousand dollars and not in excess of~~
28 ~~twenty thousand dollars, at the rate of five and six tenths percent.~~
29 d. On all taxable income above twenty thousand dollars and not in excess of
30 thirty thousand dollars, at the rate of ~~six and~~ four-tenths of one percent.

e. b. On all taxable income above thirty thousand dollars, at the rate of ~~six~~ and one-half of one percent.

2. A corporation that has paid North Dakota alternative minimum tax in years beginning before January 1, 1991, may carry over any alternative minimum tax credit remaining to the extent of the regular income tax liability of the corporation for a period not to exceed four taxable years.

SECTION 7. REPEAL. Sections 57-38-01.3, 57-38-01.4, 57-38-11, 57-38-14, 57-38-30, 57-38-30.1, 57-38-30.5, 57-38-30.6, 57-38-32, and 57-38-60.1 and chapter 57-38.4 of the North Dakota Century Code are repealed.

SECTION 8. EFFECTIVE DATES. Section 1 of this Act is effective for the first two taxable years beginning after December 31, 2008. Section 2 of this Act is effective for the first two taxable years beginning after December 31, 2010. Section 3 of this Act is effective for the first two taxable years beginning after December 31, 2012. Section 4 of this Act is effective for the first two taxable years beginning after December 31, 2014. Section 5 of this Act is effective for the first two taxable years beginning after December 31, 2016. Section 6 of this Act is effective for the first two taxable years beginning after December 31, 2018. Section 7 of this Act is effective for taxable years beginning after December 31, 2020.