

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO.

Introduced by

Senator O'Connell

1 A BILL for an Act to amend and reenact subdivision d of subsection 2 of section 57-38-30.3 of
2 the North Dakota Century Code, relating to income tax exclusion of capital gains; and to provide
3 an effective date.

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

5 **SECTION 1. AMENDMENT.** Subdivision d of subsection 2 of section 57-38-30.3 of the
6 North Dakota Century Code is amended and reenacted as follows:

7 d. Reduced by thirty percent of the excess of the taxpayer's net long-term capital
8 gain for the taxable year over the net short-term capital loss for that year, as
9 computed for purposes of the Internal Revenue Code of 1986, as amended.
10 However, the reduction is equal to the full amount of the excess of the
11 taxpayer's net long-term capital gain for the taxable year over the net
12 short-term capital loss for that year if the taxpayer's federal taxable income
13 does not exceed seventy-eight thousand eight hundred fifty dollars for a joint
14 return or forty-seven thousand three hundred ten dollars for a single, married
15 filing separately, or head of household return. The adjustment provided by
16 this subdivision is allowed only to the extent the net long-term capital gain is
17 allocated to this state.

18 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
19 December 31, 2008.