

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

\_\_\_\_\_  
(List bill or resolution and number, if available, or subject)

Amendment to: Senate Bill 2309  
\_\_\_\_\_  
(List bill or resolution and number)

Requested by: \_\_\_\_\_

Date of receipt: \_\_\_\_\_ 19 \_\_\_\_\_

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed, attach a supplementary sheet. (Please type)

Pursuant to the attached amendments, Senate Bill 2309, if enacted, would decrease the States General Fund by \$65,000 - \$95,000 during the 1979-81 Biennium.

A breakdown of the above fiscal impact is as follows:

- a) Subsection 1, the ND Independent College Fund .....less than \$5,000
- b) Subsection 1, subdivisions a and b .....\$30,000 - \$40,000
- c) Subsection 2, nonprofit private institution of secondary education .....\$35,000 - \$55,000

In regard to (c), the fiscal effect is computed on the basis of present charitable contributions made directly to nonprofit private institutions of secondary education, located within the state of North Dakota. We did not project any increase in direct contributions during the 1979-81 Biennium.

Signed 

Typed Name C. W. Cudworth

Date Prepared: 3/14/79

Department TAX

## PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2309

1 On page 1 of the engrossed bill, line 1, delete everything  
2 after the words "A BILL" and delete the remainder of the  
3 bill and insert in lieu thereof the following: "for an  
4 Act to amend and reenact section 57-38-01.7 of the North  
5 Dakota Century Code, relating to a credit for  
6 contributions to nonprofit private institutions of  
7 secondary and postsecondary education.

8 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
9 STATE OF NORTH DAKOTA:

10 SECTION 1. AMENDMENT.) Section 57-38-01.7 of the  
11 1977 Supplement to the North Dakota Century Code is  
12 hereby amended and reenacted to read as follows:

13 57-38-01.7. INCOME TAX CREDIT FOR CHARITABLE  
14 CONTRIBUTIONS - LIMITATION.)

15 1. At the election of the taxpayer, there shall be  
16 allowed, subject to the applicable limitations  
17 provided herein, as a credit against the income  
18 tax imposed by this chapter for the taxable  
19 year, an amount equal to fifty percent of the  
20 aggregate amount of charitable contributions  
21 made by such taxpayer during such year to  
22 nonprofit private institutions of higher  
23 education located within the state of North  
24 Dakota or to the North Dakota independent  
25 college fund.

26 ~~1-~~ a. In the case of a taxpayer other than a  
27 corporation, the amount allowable as a  
28 credit under this ~~section~~ subsection for  
29 any taxable year shall not exceed ~~twenty~~  
30 forty percent of such taxpayer's total  
31 income tax under this chapter for such  
32 year, or ~~fifty~~ one hundred dollars,  
33 whichever is less.

34 ~~2-~~ b. In the case of a corporation, the amount  
35 allowable as a credit under this ~~section~~  
36 subsection for any taxable year shall not



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exceed ten percent of such corporation's  
total income tax under this chapter for  
such year, or five-hundred one thousand  
dollars, whichever is less.

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2. At the election of the taxpayer, there shall be  
allowed, subject to the applicable limitations  
provided herein, as a credit against the income  
tax imposed by this chapter for the taxable  
year, an amount equal to fifty percent of the  
aggregate amount of charitable contributions  
made by such taxpayer during such year directly  
to nonprofit private institutions of secondary  
education, located within the state of North  
Dakota.

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a. In the case of a taxpayer other than a  
corporation, the amount allowable as a  
credit under this subsection for any  
taxable year shall not exceed twenty  
percent of such taxpayer's total income tax  
under this chapter for such year, or fifty  
dollars, whichever is less.

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b. In the case of a corporation, the amount  
allowable as a credit under this subsection  
for any taxable year shall not exceed ten  
percent of such corporation's total income  
tax under this chapter for such year, or  
five hundred dollars, whichever is less.

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3. For the purpose of this section, the term  
"nonprofit private institution of higher  
education" shall mean only a nonprofit private  
educational institution located in the state of  
North Dakota which normally maintains a regular  
faculty and curriculum and which normally has a  
regularly organized body of students in  
attendance at the place where its educational  
activities are carried on, and which regularly  
offers education at a level above the twelfth  
grade. This The term "nonprofit private  
institutions of secondary education" shall mean  
only a nonprofit private educational  
institution located in North Dakota which  
normally maintains a regular faculty and  
curriculum approved by the state department of  
public instruction and which normally has a  
regularly organized body of students in  
attendance at the place where its educational  
activities are carried on, and which regularly  
offers education to students in the ninth  
through the twelfth grades. The credit for

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contributions to nonprofit private institutions of higher education under this section shall apply only with respect to taxable years beginning on or after January 1, 1975. The credit for contributions to nonprofit private institutions of secondary education under this section shall apply only with respect to taxable years beginning on or after January 1, 1979."

And renumber the lines and pages accordingly