Fifty-fifth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1401

Introduced by

Representatives Poolman, R. Kelsch, Glassheim

Senators Krebsbach, St. Aubyn, Traynor

A BILL for an Act to amend and reenact subsection 4 of section 57-38.5-01 of the North Dakota Century Code, relating to the definition of a qualified business for purposes of the seed capital investment tax credit.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 4 of section 57-38.5-01 of the North Dakota Century Code is amended and reenacted as follows:

4. "Qualified business" means a primary sector business that:
   a. Is incorporated, or its satellite operation is incorporated, in North Dakota as a for-profit corporation or is a partnership, limited partnership, limited liability company, limited liability partnership, or joint venture;
   b. Is in compliance with the requirements for filings with the securities commissioner under the securities laws of this state;
   c. Has North Dakota residents as a majority of its employees in the North Dakota principal office or the North Dakota satellite operation;
   d. Has its principal office in this state and has the majority of its business activity performed in this state, except sales activity, or has a significant operation in North Dakota that has or is projected to have more than twenty-five employees or two hundred fifty thousand dollars of sales annually; and
   e. Has a majority of its ownership interests owned by one or more individuals for whom operation of the business is their full-time professional activity~~;~~
   ~~f. Had gross sales receipts of less than two million dollars in its most recently ended taxable year~~.