

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

1 A BILL for an Act to create and enact a new section to chapter 57-38 and a new subdivision to
2 subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to the authority
3 of the tax commissioner to provide for the rounding of dollar amounts on income tax returns,
4 statements, forms, or other documents and an individual income tax deduction for the new and
5 expanding business exemption; to repeal subdivision b of subsection 2 of section 57-35.3-02,
6 subdivision i of subsection 1 of section 57-38-01.2, and subdivision g of subsection 1 of section
7 57-38-01.3 of the North Dakota Century Code, relating to the tax deduction for dividends; to
8 provide an effective date; and to provide for retroactive application.

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

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

12 **Rounding.** With respect to any amount required to be shown on any return, form,
13 statement, or other document required to be filed with the tax commissioner and for purposes
14 of amounts in tax tables prescribed under subsection 12 of section 57-38-30.3 and
15 subsection 3 of section 57-38-59, the amount may be rounded to the nearest dollar. The cents
16 must be disregarded if the cents amount to less than one-half dollar. If the cents amount to
17 one-half dollar or more, the amount must be increased to the next whole dollar.

18 **SECTION 2.** A new subdivision to subsection 2 of section 57-38-30.3 of the North
19 Dakota Century Code is created and enacted as follows:

20 Reduced by income from a new and expanding business exempt from state
21 income tax under section 40-57.1-04.

22 **SECTION 3. REPEAL.** Subdivision b of subsection 2 of section 57-35.3-02,
23 subdivision i of subsection 1 of section 57-38-01.2, and subdivision g of subsection 1 of section
24 57-38-01.3 of the North Dakota Century Code are repealed.

1 **SECTION 4. EFFECTIVE DATE.** Section 2 of this Act is effective for taxable years
2 beginning after December 31, 2002.

3 **SECTION 5. RETROACTIVE APPLICATION.** Section 3 of this Act applies
4 retroactively to taxable years beginning after December 31, 1999.