

HOUSE BILL NO. 1256

Introduced by

Representative Headland

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 treatment of qualified dividend income;
3 and to provide 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 and qualified dividend income that is taxed at the same rate as long-term
9 capital gain for federal income tax purposes, for the taxable year over the net
10 short-term capital loss for that year, as computed for purposes of the Internal
11 Revenue Code of 1986, as amended. The adjustment provided by this
12 subdivision is allowed only to the extent the net long-term capital gain is
13 allocated to this state.

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