

HOUSE BILL NO. 1221

Introduced by

Representatives Delmore, Hatlestad, Hawken, S. Kelsh

Senators Oehlke, Triplett

1 A BILL for an Act to create and enact a new section to chapter 57-38 and a new subdivision to
2 subsection 7 of section 57-38-30.3 of the North Dakota Century Code, relating to an income tax
3 credit for renters of residential property; and to provide an effective date.

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

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

7 **Renter's credit.**

8 A taxpayer is entitled to a credit against tax liability as determined under section 57-38-30.3
9 equal to five percent of the first seven thousand two hundred dollars of rent paid during the
10 taxable year for the right of occupancy of a residential dwelling in this state occupied as the
11 taxpayer's primary residence. The claimant of a credit under this section must provide
12 information required by the tax commissioner to verify eligibility for the credit under this section,
13 which may include a statement from the lessor of the amount of rent paid by the lessee for the
14 dwelling during the taxable year. Rental of a dwelling in a nursing home, intermediate care
15 facility, long-term care residential facility, subsidized housing, or dormitory at a higher education
16 institution; a dwelling that is not subject to property taxes; or a dwelling owned by a lessor
17 related by blood or marriage to the lessee or for which the landlord and tenant have not dealt
18 with each other at arm's length is not eligible for the credit under this section. If a dwelling has
19 more than one occupant renter, only one occupant may claim the credit under this section and
20 how the credit will be apportioned among the occupants is the responsibility of the occupants. A
21 credit under this section may not exceed the taxpayer's liability under this chapter for the
22 taxable year.

23 **SECTION 2.** A new subdivision to subsection 7 of section 57-38-30.3 of the North Dakota
24 Century Code is created and enacted as follows:

1 Renter's credit under section 1 of this Act.

2 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after

3 December 31, 2012.