

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1129

Introduced by

Representatives Bellew, Dockter, Martinson, Mock, Nathe, Rohr, M. Ruby

Senators Dever, Schaible

1 A BILL for an Act to amend and reenact subsection 4 of section 57-38-01.28 and subdivision t of
2 subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to the marriage
3 penalty credit and an income tax exclusion for social security benefits; and to provide an
4 effective date.

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

6 **SECTION 1. AMENDMENT.** Subsection 4 of section 57-38-01.28 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 4. For purposes of this section:

9 a. "Qualifying income" means the sum of the following, to the extent included in
10 North Dakota taxable income:

11 (1) Earned income as defined in section 32(c)(2) of the Internal Revenue Code;

12 and

13 (2) Income received from a retirement pension, profit-sharing, stock bonus, or
14 annuity plan; ~~and~~

15 ~~(3) Social security benefits as defined in section 86(d)(1) of the Internal~~
16 ~~Revenue Code to the extent included in North Dakota taxable income.~~

17 b. "Qualifying income of the lesser-earning spouse" means the qualifying income of
18 the spouse with the lesser amount of qualifying income for the taxable year
19 minus the sum of:

20 (1) The amount for one exemption under section 151(d) of the Internal Revenue
21 Code; and

22 (2) One-half of the amount of the standard deduction under section 63(c)(2)(A)
23 (4) of the Internal Revenue Code.

1 **SECTION 2. AMENDMENT.** Subdivision t of subsection 2 of section 57-38-30.3 of the North
2 Dakota Century Code is amended and reenacted as follows:

3 t. For taxpayers with federal adjusted gross income of ~~fiftyseventy-five~~ fifty thousand
4 dollars or less, or one hundred fifty thousand dollars or less if married filing jointly,
5 reduced by an amount equal to social security benefits included in a taxpayer's
6 federal adjusted gross income under section 86 of the Internal Revenue Code.

7 **SECTION 3. AMENDMENT.** Subdivision t of subsection 2 of section 57-38-30.3 of the North
8 Dakota Century Code, as amended by section 2 of this Act, is amended and reenacted as
9 follows:

10 t. ~~For taxpayers with federal adjusted gross income of seventy-five thousand~~
11 ~~dollars or less, or one hundred fifty thousand dollars or less if married filing jointly,~~
12 ~~reduced~~ Reduced by ~~an~~ the amount equal ~~to~~ of social security benefits included in
13 a taxpayer's federal adjusted gross income under section 86 of the Internal
14 Revenue Code.

15 **SECTION 4. EFFECTIVE DATE.** Section 2 of this Act is effective for the first two taxable
16 years beginning after December 31, 2020. Sections 1 and 3 of this Act are effective for taxable
17 years beginning after December 31, 2022.