

Fifty-seventh
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2278

Introduced by

Senators D. Mathern, Flakoll, T. Mathern

Representatives Delmore, Hawken, S. Kelsh

1 A BILL for an Act to create and enact a new section to chapter 57-38 and a new subsection to
2 section 57-38-30.3 of the North Dakota Century Code, relating to a credit against corporate,
3 individual, estate, and trust income taxes for employment of recent graduates in targeted jobs;
4 and to provide an effective date.

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

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

8 **Employers of recent graduates tax credit.** A taxpayer is entitled to a credit against
9 tax liability as determined under section 57-38-29, 57-38-30, or 57-38-30.3 for each recent
10 graduate employed by the taxpayer in a targeted job in the amount of two thousand five
11 hundred dollars per year. The credit is available for each of the first four full taxable years of
12 the recent graduate's employment in a targeted job. For purposes of this section:

- 13 1. "Recent graduate" means a person initially employed in a targeted job by the
14 taxpayer within nine months of the person's graduation from an institution of higher
15 education in this state or, for a resident or former resident of this state, from an
16 institution of higher education outside this state.
- 17 2. "Targeted job" means a job with a wage paid by the employer of thirty-five
18 thousand dollars or more per year which is in an occupation designated by job
19 service North Dakota as a labor shortage occupation for the taxable year the
20 person is employed. Job service North Dakota shall conduct studies on an annual
21 basis incorporating information gathered from employers, local development
22 corporations and economic development organizations, and other sources to
23 determine current and projected labor shortages in the primary sector for
24 occupations that could qualify for the credit under this section.

1 Upon application by an employer, job service North Dakota shall provide the employer with a
2 certificate of the number of targeted jobs of the employer under this section for the taxable
3 year. To claim a credit under this section, a taxpayer shall attach to the taxpayer's return the
4 certificate provided by job service North Dakota under this section. Credits allowed under this
5 section may not exceed the taxpayer's tax liability under this chapter.

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

8 A taxpayer filing a return under this section is entitled to the credit provided under
9 section 1 of this Act.

10 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
11 December 31, 2000.