

Introduced by

Senators Robinson, Wardner

Representative N. Johnson

1 A BILL for an Act to amend and reenact subsection 1 of section 57-35.3-05 of the North Dakota
2 Century Code, relating to financial institutions tax credits for contributions to support institutions
3 of higher education; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-35.3-05 of the North Dakota
6 Century Code is amended and reenacted as follows:

- 7 1. a. There is allowed a credit against the tax imposed by sections 57-35.3-01
8 through 57-35.3-12 in an amount equal to fifty percent of the aggregate
9 amount of charitable contributions made by the taxpayer during the taxable
10 year to ~~nonprofit private institutions~~ an institution of higher education ~~located~~
11 ~~within the~~ in this state, a foundation or other organization exempt from federal
12 taxation under section 501(c)(3) of the Internal Revenue Code [26 U.S.C.
13 501(c)(3)] and established to support an institution of higher education in this
14 state, or to the North Dakota independent college fund. The amount
15 allowable as a credit under this subdivision for any taxable year may not
16 exceed five and seven-tenths percent of the tax before credits allowed under
17 this section, or two thousand five hundred dollars, whichever is less.
- 18 b. There is allowed a credit against the tax imposed by sections 57-35.3-01
19 through 57-35.3-12 in an amount equal to fifty percent of the aggregate
20 amount of charitable contributions made by the taxpayer during the taxable
21 year to nonprofit private institutions of secondary education located within the
22 state. The amount allowable as a credit under this subdivision for any taxable
23 year may not exceed five and seven-tenths percent of the tax before credits

allowed under this section, or two thousand five hundred dollars, whichever is less.

c. For the purpose of this subsection, the term "~~nonprofit private~~ institution of higher education" means only a ~~nonprofit private~~ an educational institution located in North Dakota which normally maintains a regular faculty and curriculum and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education at a level above the twelfth grade. The term "nonprofit private institution of secondary education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum approved by the department of public instruction and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education to students in the ninth through twelfth grades.

d. For the purposes of this subsection, a taxpayer may elect to treat a contribution as made in the preceding taxable year if the contribution and election are made not later than the time prescribed for filing the return for the taxable year.

SECTION 2. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 2000.