

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 subsection to section 57-35.3-05, a new section to
2 chapter 57-38, and a new subsection to section 57-38-30.3 of the North Dakota Century Code,
3 relating to a credit against financial institutions taxes and corporate, individual, estate, and trust
4 income taxes for employment of recent graduates in targeted jobs; and to provide an effective
5 date.

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

7 **SECTION 1.** A new subsection to section 57-35.3-05 of the North Dakota Century Code
8 is created and enacted as follows:

9 There is allowed a credit against the tax imposed by sections 57-35.3-01 through
10 57-35.3-12 in the amount allowed for employment of recent graduates as
11 determined under section 2 of this Act.

12 **SECTION 2.** A new section to chapter 57-38 of the North Dakota Century Code is
13 created and enacted as follows:

14 **Employers of recent graduates tax credit.** A taxpayer is entitled to a credit against
15 tax liability as determined under section 57-35.3-03, 57-38-29, 57-38-30, or 57-38-30.3 in the
16 amount of two thousand five hundred dollars per year for each of the first four full taxable years
17 of employing a recent graduate in a targeted job. For purposes of this section:

- 18 1. "Recent graduate" means a person initially employed in a targeted job by the
19 taxpayer within nine months of the person's graduation from an institution of higher
20 education in this state or, for a person who is a former resident of this state,
21 graduation from an institution of higher education outside this state.
- 22 2. "Targeted job" means a job with a wage paid by the employer of thirty-five
23 thousand dollars or more per year which is in an occupation designated by job
24 service North Dakota as a labor shortage occupation for the taxable year the

1 person is employed. Job service North Dakota shall conduct studies on an annual
2 basis incorporating information gathered from employers, local development
3 corporations and economic development organizations, and other sources to
4 determine current and projected labor shortages in the primary sector for
5 occupations that could qualify for the credit under this section.

6 Credits allowed under this section may not exceed the taxpayer's tax liability under chapter
7 57-35.3 or this chapter.

8 **SECTION 3.** A new subsection to section 57-38-30.3 of the North Dakota Century Code
9 is created and enacted as follows:

10 A taxpayer filing a return under this section is entitled to the credit provided under
11 section 2 of this Act.

12 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
13 December 31, 2000.