

PROPOSED AMENDMENTS TO SENATE BILL NO. 2330

Page 1, line 2, remove "refundable"

Page 1, line 3, remove "and" and after "date" insert "; and to provide an expiration date"

Page 1, line 7, remove "refundable"

Page 1, line 12, remove "refundable" and replace "may" with "must"

Page 1, line 13, remove "either", remove "current", and replace "or refunded to the" with "as provided in this section."

Page 1, replace lines 14 through 17 with "For purposes of this subsection:

- a. The taxpayer is entitled to a credit of:
  - (1) The amount of the overpayment that was made under chapter 57-35 plus the amount of any interest paid by the taxpayer on this portion of the overpayment; and
  - (2) Interest at the rate of two and one-half percent per year on the uncredited amount under paragraph 1 from the date tax and interest under paragraph 1 was paid by the taxpayer to December 31, 2006.
- b. The taxpayer is entitled to a credit of:
  - (1) The amount of the overpayment that was made under chapter 57-35.2 plus the amount of any interest paid by the taxpayer on this portion of the overpayment; and
  - (2) Interest at the rate of two and one-half percent per year on the unrefunded amount under paragraph 1 from the date tax and interest under paragraph 1 was paid by the taxpayer to April 15, 2006.
- c. For purposes of determining distributions to and by counties under section 57-35.3-09 in any year a credit under subdivision a is claimed:
  - (1) The balance in the financial institution tax distribution fund and the amount of the payment received by each county from the state shall be determined as if any credit allowed under subdivision a had not been claimed and the full amount of the tax otherwise due had been timely paid;
  - (2) The credited amount under subdivision a must be deducted from the distributions that would otherwise be made to and by the county that received the tax overpayment until the sum of the deductions under this paragraph equals the amount of the credit under subdivision a; and

- (3) The deductions from distributions made by a county to each distributee must be proportionate to the overpayment of tax received by each distributee.
- d. The entire amount of the credit under subdivision a must be deducted from the portion of the tax payable by the taxpayer that would be deposited in the financial institution tax distribution fund. The entire amount of the credit under subdivision b must be deducted from the amount payable by the taxpayer that would be deposited in the state general fund.
- e. The amount of the credit under subdivision a is limited to not more than fifty percent of the taxpayer's liability under this chapter that would be payable to the county that received the overpayment unless the board of county commissioners of that county approves allowing a greater amount of the credit. The board of county commissioners must notify the tax commissioner, by December thirty-first of the taxable year for which the credit will be claimed, if the board of county commissioners approves allowing a greater amount of the credit under this subdivision.
- f. Any amount not allowed as a credit because of the limitations under this section may be carried forward to the next taxable year."

Page 1, line 18, after "**APPLICATION**" insert "- **EXPIRATION DATE**"

Page 1, line 19, after "2001" insert ", and is ineffective for any refund claim filed after February 15, 2005"

Renumber accordingly