

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Berg

1 A BILL for an Act to amend and reenact section 57-38-30 of the North Dakota Century Code,
2 relating to reductions in corporate income tax rates; to repeal section 57-38-30 of the North
3 Dakota Century Code, relating to corporate income taxes; and to provide effective dates.

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

5 **SECTION 1. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
8 the taxable income of every domestic and foreign corporation which must be levied, collected,
9 and paid annually as in this chapter provided:

- 10 1. a. For the first three thousand dollars of taxable income, at the rate of two and
11 six-tenths percent.
- 12 b. On all taxable income above three thousand dollars and not in excess of eight
13 thousand dollars, at the rate of four and one-tenth percent.
- 14 c. On all taxable income above eight thousand dollars and not in excess of
15 twenty thousand dollars, at the rate of five and six-tenths percent.
- 16 d. On all taxable income above twenty thousand dollars and not in excess of
17 thirty thousand dollars, at the rate of six and four-tenths percent.
- 18 e. On all taxable income above thirty thousand dollars, at the rate of six and
19 one-half percent.
- 20 2. A corporation that has paid North Dakota alternative minimum tax in years
21 beginning before January 1, 1991, may carry over any alternative minimum tax
22 credit remaining to the extent of the regular income tax liability of the corporation
23 for a period not to exceed four taxable years.

1 **SECTION 2. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
4 the taxable income of every domestic and foreign corporation which must be levied, collected,
5 and paid annually as in this chapter provided:

- 6 1. a. For the first three thousand dollars of taxable income, at the rate of two and
7 six-tenths percent.
- 8 b. On all taxable income above three thousand dollars and not in excess of eight
9 thousand dollars, at the rate of four and one-tenth percent.
- 10 c. On all taxable income above eight thousand dollars and not in excess of
11 twenty thousand dollars, at the rate of five and six-tenths percent.
- 12 d. On all taxable income above twenty thousand dollars and not in excess of
13 thirty thousand dollars, at the rate of six and four-tenths percent.
- 14 e. On all taxable income above thirty thousand dollars, at the rate of six and
15 one-half percent.
- 16 2. A corporation that has paid North Dakota alternative minimum tax in years
17 beginning before January 1, 1991, may carry over any alternative minimum tax
18 credit remaining to the extent of the regular income tax liability of the corporation
19 for a period not to exceed four taxable years.

20 **SECTION 3. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
23 the taxable income of every domestic and foreign corporation which must be levied, collected,
24 and paid annually as in this chapter provided:

- 25 1. a. For the first three thousand dollars of taxable income, at the rate of two and
26 six-tenths percent.
- 27 b. On all taxable income above three thousand dollars and not in excess of eight
28 thousand dollars, at the rate of four and one-tenth percent.
- 29 c. On all taxable income above eight thousand dollars and not in excess of
30 twenty thousand dollars, at the rate of five and six-tenths percent.

1 d. On all taxable income above twenty thousand dollars and not in excess of
2 thirty thousand dollars, at the rate of six and four-tenths percent.

3 e. On all taxable income above thirty thousand dollars, at the rate of six and
4 one-half percent.

5 2. A corporation that has paid North Dakota alternative minimum tax in years
6 beginning before January 1, 1991, may carry over any alternative minimum tax
7 credit remaining to the extent of the regular income tax liability of the corporation
8 for a period not to exceed four taxable years.

9 **SECTION 4. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
12 the taxable income of every domestic and foreign corporation which must be levied, collected,
13 and paid annually as in this chapter provided:

14 1. a. For the first three thousand dollars of taxable income, at the rate of two and
15 six-tenths percent.

16 b. On all taxable income above three thousand dollars and not in excess of eight
17 thousand dollars, at the rate of four and one-tenth percent.

18 c. On all taxable income above eight thousand dollars and not in excess of
19 twenty thousand dollars, at the rate of five and six-tenths percent.

20 d. On all taxable income above twenty thousand dollars and not in excess of
21 thirty thousand dollars, at the rate of six and four-tenths percent.

22 e. On all taxable income above thirty thousand dollars, at the rate of six and
23 one-half percent.

24 2. A corporation that has paid North Dakota alternative minimum tax in years
25 beginning before January 1, 1991, may carry over any alternative minimum tax
26 credit remaining to the extent of the regular income tax liability of the corporation
27 for a period not to exceed four taxable years.

28 **SECTION 5. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
2 the taxable income of every domestic and foreign corporation which must be levied, collected,
3 and paid annually as in this chapter provided:

- 4 1. a. For the first three thousand dollars of taxable income, at the rate of two and
5 six-tenths percent.
- 6 b. On all taxable income above three thousand dollars and not in excess of eight
7 thousand dollars, at the rate of four and one-tenth percent.
- 8 c. On all taxable income above eight thousand dollars and not in excess of
9 twenty thousand dollars, at the rate of five and six-tenths percent.
- 10 d. On all taxable income above twenty thousand dollars and not in excess of
11 thirty thousand dollars, at the rate of six and four-tenths percent.
- 12 e. On all taxable income above thirty thousand dollars, at the rate of six and
13 one-half percent.
- 14 2. A corporation that has paid North Dakota alternative minimum tax in years
15 beginning before January 1, 1991, may carry over any alternative minimum tax
16 credit remaining to the extent of the regular income tax liability of the corporation
17 for a period not to exceed four taxable years.

18 **SECTION 6. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **57-38-30. Imposition and rate of tax on corporations.** A tax is hereby imposed upon
21 the taxable income of every domestic and foreign corporation which must be levied, collected,
22 and paid annually as in this chapter provided:

- 23 1. a. For the first three thousand dollars of taxable income, at the rate of two and
24 six-tenths percent.
- 25 b. On all taxable income above three thousand dollars and not in excess of eight
26 thousand dollars, at the rate of four and one-tenth percent.
- 27 c. On all taxable income above eight thousand dollars and not in excess of
28 twenty thousand dollars, at the rate of five and six-tenths percent.
- 29 d. On all taxable income above twenty thousand dollars and not in excess of
30 thirty thousand dollars, at the rate of six and four-tenths percent.

1 e. On all taxable income above thirty thousand dollars, at the rate of six and
2 one-half percent.

3 2. A corporation that has paid North Dakota alternative minimum tax in years
4 beginning before January 1, 1991, may carry over any alternative minimum tax
5 credit remaining to the extent of the regular income tax liability of the corporation
6 for a period not to exceed four taxable years.

7 **SECTION 7. REPEAL.** Section 57-38-30 of the North Dakota Century Code is
8 repealed.

9 **SECTION 8. EFFECTIVE DATES.** Section 1 of this Act is effective for the first two
10 taxable years beginning after December 31, 2008. Section 2 of this Act is effective for the first
11 two taxable years beginning after December 31, 2010. Section 3 of this Act is effective for the
12 first two taxable years beginning after December 31, 2012. Section 4 of this Act is effective for
13 the first two taxable years beginning after December 31, 2014. Section 5 of this Act is effective
14 for the first two taxable years beginning after December 31, 2016. Section 6 of this Act is
15 effective for the first two taxable years beginning after December 31, 2018. Section 7 of this
16 Act is effective for the first two taxable years beginning after December 31, 2020. Section 7 of
17 this Act is effective for taxable years beginning after December 31, 2022.