

HOUSE BILL NO.

Introduced by

Representative Monson

1 A BILL for an Act to create and enact a new section to chapter 57-38 and a new subdivision to
2 subsection 7 of section 57-38-30.3 of the North Dakota Century Code, relating to an income tax
3 credit for qualified health insurance premiums; and to provide an effective date.

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

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

7 **Health insurance premiums credit.**

- 8 1. A taxpayer is entitled to a tax credit against tax liability as determined under
9 section 57-38-29 or 57-38-30.3 in the amount of up to two hundred dollars per
10 taxable year of premiums paid by the taxpayer for a family health insurance plan or
11 one hundred dollars per taxable year of premiums paid by the taxpayer for a single
12 health insurance plan. The credit under this section for premiums paid for a family
13 health insurance plan may be claimed by only one spouse for individuals who are
14 married. For purposes of this section, "health insurance" means insurance
15 covering medical care for which the taxpayer would be entitled to a deduction
16 under section 162 or 213 of the Internal Revenue Code, without regard to whether
17 the taxpayer claimed that deduction for federal income tax purposes.
- 18 2. The amount of premiums paid upon which an allowable credit is computed under
19 this section must be added to the taxpayer's federal taxable income in computing
20 North Dakota taxable income in the taxable year in which the credit is claimed, but
21 only to the extent that the premiums paid reduced the taxpayer's federal taxable
22 income.

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

1 Health insurance premiums credit under section 1 of this Act.

2 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after

3 December 31, 2008.