

Sixty-seventh
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1129

Introduced by

Representatives Bellew, Dockter, Martinson, Mock, Nathe, Rohr, M. Ruby

Senators Dever, Schaible

1 A BILL for an Act to amend and reenact subsection 4 of section 57-38-01.28 and subdivision t of
2 subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to the marriage
3 penalty credit and an income tax exclusion for social security benefits; and to provide an
4 effective date.

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

6 **SECTION 1. AMENDMENT.** Subsection 4 of section 57-38-01.28 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 4. For purposes of this section:

9 a. "Qualifying income" means the sum of the following, to the extent included in
10 North Dakota taxable income:

11 (1) Earned income as defined in section 32(c)(2) of the Internal Revenue Code;

12 and

13 (2) Income received from a retirement pension, profit-sharing, stock bonus, or
14 annuity plan; ~~and~~

15 ~~(3) Social security benefits as defined in section 86(d)(1) of the Internal~~
16 ~~Revenue Code to the extent included in North Dakota taxable income.~~

17 b. "Qualifying income of the lesser-earning spouse" means the qualifying income of
18 the spouse with the lesser amount of qualifying income for the taxable year
19 minus the sum of:

20 (1) The amount for one exemption under section 151(d) of the Internal Revenue
21 Code; and

22 (2) One-half of the amount of the standard deduction under section 63(c)(2)(A)
23 (4) of the Internal Revenue Code.

SECTION 2. AMENDMENT. Subdivision t of subsection 2 of section 57-38-30.3 of the North Dakota Century Code is amended and reenacted as follows:

- t. For taxpayers with federal adjusted gross income of ~~fifty~~seventy-five thousand dollars or less, or one hundred fifty thousand dollars or less if married filing jointly, ~~reduced~~Reduced by ~~an~~the amount ~~equal to~~of social security benefits included in a taxpayer's federal adjusted gross income under section 86 of the Internal Revenue Code.

SECTION 3. AMENDMENT. Subdivision t of subsection 2 of section 57-38-30.3 of the North Dakota Century Code, as amended by section 2 of this Act, is amended and reenacted as follows:

- t. ~~For taxpayers with federal adjusted gross income of seventy-five thousand dollars or less, or one hundred fifty thousand dollars or less if married filing jointly, reduced~~Reduced by ~~an~~the amount ~~equal to~~of social security benefits included in a taxpayer's federal adjusted gross income under section 86 of the Internal Revenue Code.

SECTION 4. EFFECTIVE DATE. ~~This~~Section 2 of this Act is effective for the first two taxable years beginning after December 31, 2020. Sections 1 and 3 of this Act are effective for taxable years beginning after December 31, 2022.