



House Bill 1158

- Primary Residence Credit
- Homestead Tax Credit
- Individual Income Tax

Tax Commissioner Brian Kroshus

HOUSE BILL 1158

Passage created a combined \$515M in taxpayer savings including:

- Primary residence credit of \$500 for eligible North Dakota homeowners - \$103.2M
- Expanded existing Homestead Tax Credit program - \$53.5M
- Income tax reform utilizing a three-bracket system and reduced rates - \$358M
- Statute Affected: N.D.C.C. § 57-38-30.3

PRIMARY RESIDENCE CREDIT

PRIMARY RESIDENCE CREDIT

ND homeowners may receive up to a \$500 property tax credit!

APPLY TODAY! tax.nd.gov/prc

Credit reflected on next year's property tax statement

No age or income restrictions

Property must be resident's primary home

Only one credit available per household

APPLICATION DEADLINE
March 31, 2024

ND Tax
NORTH DAKOTA



Primary Residence Credit (PRC) Fiscal Note Analysis

Credit per residence	\$ 500	Fiscal Impact
Number of homes - ND - U.S. Census - 2022	206,400	\$ 103,200,000
Non-qualifying homes		
Receiving farmstead exemption	19,840	
Reservation housing	6,341	
Rental home properties	5,000	
Second/vacation homes	10,547	
Non-resident owned homes	5,000	
Homestead credit covered ownership transfers/moving	5,500	
Trust-owned homes	5,000	
Total ineligible for the PRC	60,228	
Homes eligible for the PRC (maximum)	146,172	\$ 73,085,980
2024 Applications	134,933	\$ 67,466,500
Participation rate	92.31%	

HOMESTEAD PROPERTY TAX CREDIT

HOMESTEAD & RENTER'S REFUND PROPERTY TAX CREDITS

Senior citizens and individuals with disabilities may qualify for North Dakota property tax credits.



ELIGIBILITY REQUIREMENTS

- 65 years of age or older in the year for which the application is made (or the year the Renter's Refund is claimed).
-OR-
- Permanently disabled.
 - Proof of total disability must be established.
 - Can be a homeowner or renter.
 - There is no age requirement for those permanently disabled.
 - A homeowner or renter with a disability must meet the same qualifications, except for age, as a senior citizen homeowner or renter.

Homestead Property Tax Credit Fiscal Note Analysis

	Tax Year	Number Of Applicants	Payment Due To County	Tax Year	Number Of Applicants	Payment Due To County	Year-over-year Increase, applications received	Year-over-year Increase, distribution amount
Totals	2023	14,627	\$ 19,455,067	2022	7,676	\$ 6,892,177	6,951	\$ 12,562,890

INDIVIDUAL INCOME TAX

Individual Income Tax	Apr-24	Apr-23	Difference
Current, Amended, Delinquent	46,905,583	61,691,249	(14,785,665)
Estimated Individual Payments	8,604,592	11,875,055	(3,270,463)
Fiduciary	8,482,972	11,505,443	(3,022,471)
Estimated Fiduciary	231,837	2,902,048	(2,670,211)
Partnerships	22,685,023	36,328,104	(13,643,082)
Watchable Wildlife	9,424	11,252	(1,829)
Tree Fund	11,519	12,106	(587)
Veterans Postwar	9,707	9,291	415
Organ Transplant	4,789	3,773	1,016
Total	86,945,446	124,338,321	(37,392,876)

Withholding-Individual Income Tax

Current, Amended, Delinquent	42,634,934	27,109,794	15,525,140
Royalty Withholding	9,091,475	10,980,967	(1,889,492)
Jobs Training	-	-	-
S-Corporations	11,095,083	7,857,293	3,237,789
Total	62,821,492	45,948,054	16,873,438

Total IIT & Withholding \$ **149,766,937** \$ **170,286,376** \$ **(20,519,438)**

Transfer to Refund Reserve 48,297,204 50,000,000 (1,702,796)

INDIVIDUAL INCOME TAX

Individual Income Tax	May-24	May-23	Difference
Current, Amended, Delinquent	1,540,005	2,131,515	(591,509)
Estimated Individual Payments	760,903	750,949	9,954
Fiduciary	228,825	191,624	37,201
Estimated Fiduciary	170,227	15,207	155,020
Partnerships	1,211,342	3,941,236	(2,729,894)
Watchable Wildlife	1,938	2,996	(1,059)
Tree Fund	2,447	2,584	(137)
Veterans Postwar	1,462	2,467	(1,005)
Organ Transplant	822	737	86
Total	3,917,971	7,039,314	(3,121,343)

Withholding-Individual Income Tax			
Current, Amended, Delinquent	11,638,631	54,889,459	(43,250,829)
Royalty Withholding	7,559,135	5,024,513	2,534,622
Jobs Training	589,463	479,578	109,885
S-Corporations	559,388	708,780	(149,392)
Total	20,346,616	61,102,330	(40,755,714)

Total IIT & Withholding \$ **24,264,587** \$ **68,141,644** \$ **(43,877,057)**

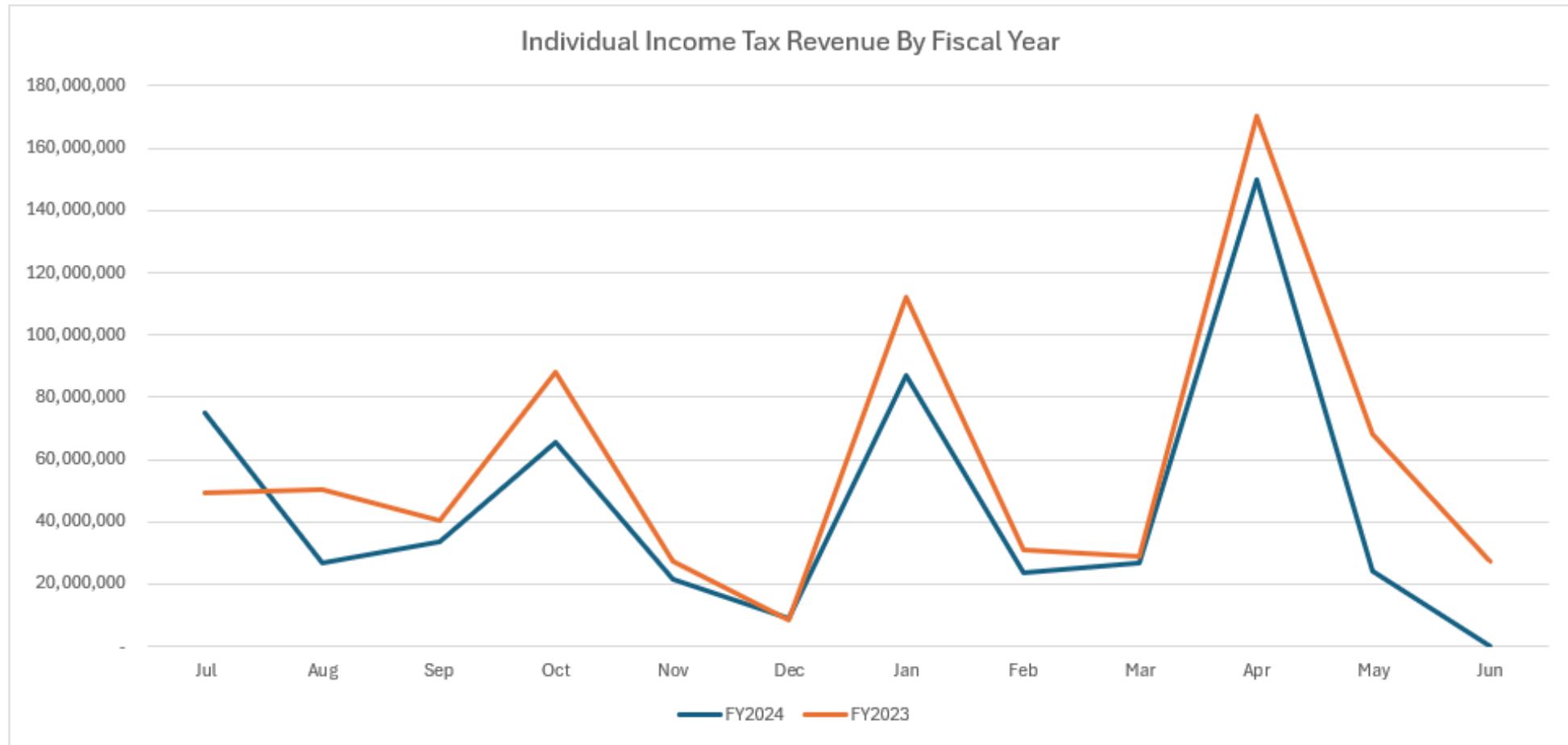
Transfer to Refund Reserve - 20,000,000 (20,000,000)

Revenue Net of Refund Reserve \$ **24,264,587** \$ **48,141,644** \$ **(23,877,057)**

INDIVIDUAL INCOME TAX

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY2024	74,759,299	26,647,252	33,522,220	65,479,089	21,352,617	8,972,594	87,030,119	23,768,196	26,653,690	149,766,937	24,264,587	-	542,216,601
FY2023	49,337,328	50,598,287	40,312,698	87,956,391	27,283,390	8,237,156	112,117,152	30,793,762	28,827,031	170,286,376	68,141,644	27,068,140	700,959,355
FY23-24 Chg vs Prior Year through May 2024	25,421,971	(23,951,035)	(6,790,478)	(22,477,302)	(5,930,773)	735,439	(25,087,033)	(7,025,566)	(2,173,340)	(20,519,438)	(43,877,057)	-	(131,674,614)
Actuals w/ Jul & Jun estimates	(3,000,000)	(23,951,035)	(6,790,478)	(22,477,302)	(5,930,773)	735,439	(25,087,033)	(7,025,566)	(2,173,340)	(20,519,438)	(43,877,057)	(12,000,000)	(172,096,584.78) Fiscal Year (344,193,169.56) Biennium

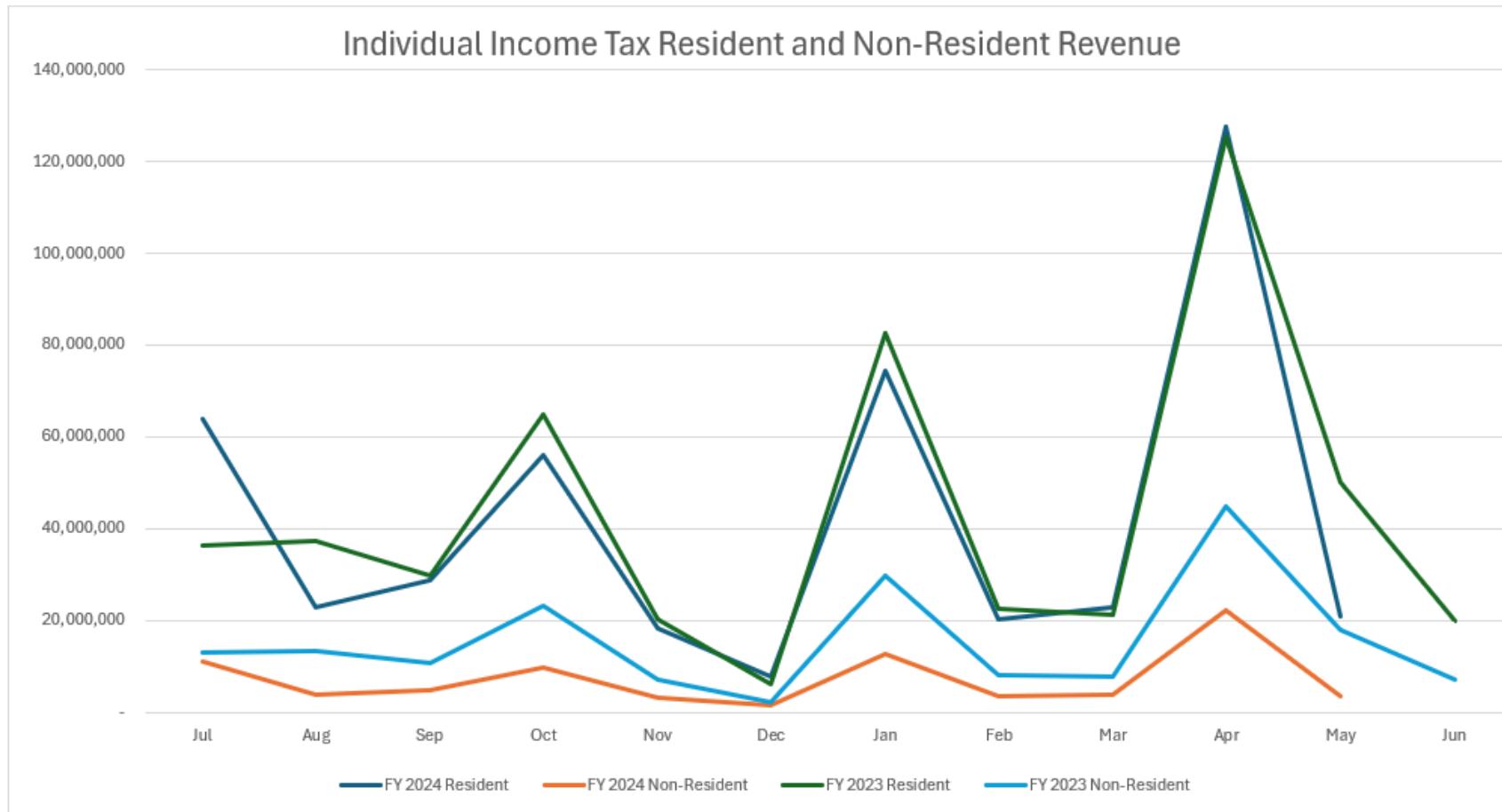
INDIVIDUAL INCOME TAX



INDIVIDUAL INCOME TAX

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY 2024 Resident	63,769,682	22,730,106	28,594,453	55,853,663	18,213,783	7,653,623	74,236,691	20,274,271	22,735,598	127,751,198	20,697,693		462,510,761
FY 2024 Non-Resident	10,989,617	3,917,146	4,927,766	9,625,426	3,138,835	1,318,971	12,793,427	3,493,925	3,918,092	22,015,740	3,566,894		79,705,839
FY 2023 Resident	36,312,273	37,240,339	29,670,146	64,735,904	20,080,575	6,062,546	82,518,224	22,664,209	21,216,694	125,330,772	50,152,250	19,922,151	515,906,083
FY 2023 Non-Resident	13,025,055	13,357,948	10,642,552	23,220,487	7,202,815	2,174,609	29,598,928	8,129,553	7,610,336	44,955,603	17,989,394	7,145,989	185,053,269
% Change Resident	75.6%	-39.0%	-3.6%	-13.7%	-9.3%	26.2%	-10.0%	-10.5%	7.2%	1.9%	-58.7%		
% Change Non-Resident	-15.6%	-70.7%	-53.7%	-58.6%	-56.4%	-39.4%	-56.8%	-57.0%	-48.5%	-51.0%	-80.2%		

INDIVIDUAL INCOME TAX





THANK YOU
• QUESTIONS?

Tax Commissioner Brian Kroshus