

2025 SENATE FINANCE AND TAXATION

SB 2093

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2093
1/8/2025

Income tax deduction for retired law enforcement personnel benefits.
--

10:58 a.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Fiscal impact of deduction
- Inclusion of retroactive benefits

10:59 a.m. Senator Larson, District 30, introduced SB 2093 and testified in favor.

11:02 a.m. Aaron Hummel, Chief of Staff, ND Highway Patrol, testified in favor and submitted testimony #28169.

11:06 a.m. Stephanie Engbreestson, Deputy Director, ND League of Cities, testified in favor.

11:07 a.m. Calvin Benson, ND Peace Officers Association, testified in favor.

11:07 a.m. Chairman Weber closed the hearing.

11:09 a.m. Senator Walen moved a Do Pass on Amendment LC#25.0009.01001.

11:09 a.m. Senator Marcellais seconded the motion.

Senators	Vote
Senator Mark F. Weber	N
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	N
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 4-2-0.

11:16 a.m. Senator Marcellais moved a Do Pass as Amended.

11:16 a.m. Senator Walen seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y

Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 6-0-0.

Senator Marcellais will carry the bill.

11:19 a.m. Chairman Weber adjourned the meeting.

Chance Anderson, Committee Clerk

January 8, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2093

Introduced by

Senators Larson, Rummel

1 A BILL for an Act to amend and reenact subdivision u of subsection 2 of section 57-38-30.3 of
2 the North Dakota Century Code, relating to an income tax deduction for retired law enforcement
3 personnel benefits; and to provide ~~an effective date~~ for retroactive application.

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

5 **SECTION 1. AMENDMENT.** Subdivision u of subsection 2 of section 57-38-30.3 of the
6 North Dakota Century Code is amended and reenacted as follows:

7 u. Reduced by the amount of retired law enforcement personnel benefits received
8 by a taxpayer who has served a combined total of at least twenty years as a
9 peace officer or has medically retired from the taxpayer's duties as a peace
10 officer with a medical certificate due to a permanent mental or physical disability
11 that rendered the taxpayer unable to discharge the taxpayer's duties as a peace
12 officer qualified retired peace officer, including retired law enforcement personnel
13 benefits paid to the surviving spouse of a deceased qualified retired peace officer,
14 but only to the extent the amount was included in federal taxable income. For
15 purposes of this subdivision:

16 (1) "Peace officer" means a public servant authorized by law or by a
17 government agency or branch of the United States, a state, or a political
18 subdivision of a state to enforce the law and to conduct or engage in
19 investigations of violations of the law.

20 (2) "Qualified retired peace officer" means a peace officer who has:

21 (a) Served a combined total of at least twenty years as a peace officer; or

JJB
2 of 2

1 (b) Medically retired from the peace officer's duties with a medical
2 certificate due to a permanent mental or physical disability that
3 rendered the peace officer unable to discharge the peace officer's
4 duties.

5 (2)(3) "Retired law enforcement personnel benefits" means retirement income
6 received by a ~~taxpayer~~qualified retired peace officer or surviving spouse of a
7 deceased qualified retired peace officer who is eligible to receive retirement
8 income attributable to the ~~taxpayer's~~qualified retired peace officer's
9 employment as a peace officer from a retirement plan maintained by or
10 through the employer from which the ~~taxpayer~~qualified retired peace officer
11 retired as a peace officer.

12 **SECTION 2. ~~EFFECTIVE DATE~~RETROACTIVE APPLICATION.** This Act ~~is effective~~
13 for applies retroactively to taxable years beginning after December 31, ~~2024~~2023.

**REPORT OF STANDING COMMITTEE
SB 2093**

Finance and Taxation Committee (Sen. Weber, Chairman) recommends **AMENDMENTS** ([25.0009.01001](#)) and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2093 was placed on the Sixth order on the calendar. This bill does not affect workforce development.



69th Legislative Assembly
Testimony in **Support of**
Senate Bill No. 2093
Senate Finance and Taxation
January 8, 2025

TESTIMONY OF

Maj. Aaron Hummel, Chief of Staff

Good morning, Chairman Weber, and members of the committee. My name is Aaron Hummel and I serve as the chief of staff for the North Dakota Highway Patrol. I am here to provide testimony in support of Senate Bill 2093.

I do not believe the original intent of the law, when it was created in the 2023 session through SB 2147, was to eliminate the tax deduction from a surviving spouse once the qualified retired peace officer was deceased.

One of our retirees passed away in late 2023, in early 2024 our human resources staff visited with his spouse about the exemption as she filed their income tax return for the year. Unfortunately, for her 2024 taxes she will not have this deduction any longer, although she is still likely receiving the retirement benefit under a joint survivor option. When an individual serves a career in law enforcement, it's often said that their families experience the same sacrifices. This is one way to continue to support spouses after the officer is gone.

This concludes my testimony. I would appreciate your support for this bill, and I will stand for any questions.

2025 HOUSE FINANCE AND TAXATION

SB 2093

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

SB 2093
3/12/2025

Relating to an income tax deduction for retired law enforcement personnel benefits; and to provide for retroactive application.

9:01 a.m. Chairman Headland opened the hearing.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives D. Anderson, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, J. Olson, Steiner, Toman

Members Absent: Representatives Porter, Dockter

Discussion Topics:

- Military Personnel
- Surviving spouse
- Retroactive application

9:01 a.m. Senator Diane Larson, District 30, introduced the bill.

9:09 a.m. Chief Jason Ziegler, Mandan Police Department, Chiefs of Police Association of ND, testified in favor and submitted #39725.

9:17 a.m. Major Tom Iverson, Chief of Operations, ND Highway Patrol, testified in favor and submitted testimony #40625.

9:18 a.m. Donnell Preskey, League of Cities, Deputy Director, ND Sheriffs and Deputies Association, testified in favor.

9:19 a.m. Calvin Benson, ND Peace Officers Association, testified in favor.

9:20 a.m. Matt Peyerl, ND Office of State Tax Commissioner, stood for questions.

9:22 a.m. Chairman Headland closed the hearing.

Janae Pinks, Committee Clerk

March 12, 2025

House Finance and Taxation Committee

SB 093

Representative Criag Headland, Chair

For the record, I am Stephanie Dassinger Engebretson, and I am appearing on behalf of the Chiefs of Police Association of North Dakota. I am also the deputy director and attorney for the North Dakota League of Cities.

The Chiefs of Police support SB 2093. This bill is a technical correction to SB 2147 which passed last session. SB 2147 (2023) provided for an income tax deduction for law enforcement retirement when the law enforcement officer retired after serving a total of twenty years or medically retired due to a permanent or physical disability. SB 2147 (2023) missed including language providing a law enforcement officer's surviving spouse with the same income tax deduction if his or her law enforcement spouse predeceases him or her. The Chiefs of Police do not believe this was the legislature's intent when passing the bill.

SB 2093 adds language to include a law enforcement officer's surviving spouse with the income tax deduction and to make that deduction retroactive to taxable years beginning after December 31, 2023.

The Chiefs of Police respectfully request a Do Pass recommendation on SB 2093.



Ho69th Legislative Assembly

Testimony in **Support** of

Senate Bill No. 2093

House Finance and Taxation

March 12, 2025

TESTIMONY OF

Maj. Aaron Hummel, Chief of Staff

Good morning, Chairman Headland, and members of the committee. My name is Aaron Hummel and I serve as the chief of staff for the North Dakota Highway Patrol. Unfortunately, I am unable to attend in person, but I will provide written testimony in support of Senate Bill 2093.

I do not believe the original intent of the law, when it was created in the 2023 session through SB 2147, was to eliminate the tax deduction from a surviving spouse once the qualified retired peace officer was deceased.

I can think of a several spouses of retirees who would be impacted in a positive manner by the passage of this bill.

Specifically, one of our retirees passed away in late 2023, in early 2024 our human resources staff visited with his spouse about the exemption as she filed their income tax return for the year. Unfortunately, for her 2024 taxes she will not have this deduction any longer, although she is still likely receiving the retirement benefit under a joint survivor option.

This bill easily passed through the senate after due diligence was given to the fiscal implications it may have, which in will be minimal. Additionally, the bill was amended to make the benefit retroactive back to the last session when the original bill was made law.

When an individual serves a career in law enforcement, it's often said that their families experience the same sacrifices. This is one way to continue to support spouses after the officer is gone.

I urge you to support this bill with a do pass.

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

SB 2093
4/9/2025

Relating to an income tax deduction for retired law enforcement personnel benefits; and to provide for retroactive application.

10:01 a.m. Chairman Headland called the meeting to order.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Olson, Porter, Steiner, Toman

Members Absent: Representative Anderson

Discussion Topics:

- Committee Action

10:02 a.m. Representative J. Olson moved a Do Pass.

10:02 a.m. Representative Ista seconded the motion.

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	AB
Representative Jason Dockter	Y
Representative Ty Dressler	Y
Representative Jim Grueneich	Y
Representative Mike Motschenbacher	Y
Representative Dennis Nehring	Y
Representative Jeremy Olson	Y
Representative Todd Porter	Y
Representative Vicky Steiner	Y
Representative Nathan Toman	N
Representative Austin Foss	Y
Representative Zachary Ista	Y

Motion carried 12-1-1.

Representative Hagert will carry the bill.

House Finance and Taxation Committee

SB 2093

04/09/25

Page 2

10:04 a.m. Chairman Headland closed the meeting.

Madaline Cooper, Committee Clerk for Janae Pinks, Committee Clerk

Reconsider 04/09/25 PM

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

SB 2093
4/9/2025

Relating to an income tax deduction for retired law enforcement personnel benefits; and to provide for retroactive application.

3:58 p.m. Chairman Headland opened the meeting.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Olson, Porter, Steiner, Toman

Discussion Topics:

- Support for Law Enforcement
- SIF Fund
- Prairie Dog Fund

3:58 p.m. Representative Dockter moved to reconsider the bill.

3:58 p.m. Representative Porter seconded the motion.

3:58 p.m. Voice Vote - Motion Passed

3:58 p.m. Vice Chairman Hagert proposed amendment LC#25.0009.02003, testimony #44877.

4:00 p.m. Vice Chairman Hagert moved to adopt amendment LC#25.0009.02003.

4:00 p.m. Representative Porter seconded the motion.

4:02 p.m. Voice Vote - Motion Failed

4:02 p.m. Roll call - Amendment LC#25.0009.02003.

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Jason Dockter	Y
Representative Ty Dressler	Y
Representative Jim Grueneich	Y
Representative Mike Motschenbacher	Y
Representative Dennis Nehring	Y
Representative Jeremy Olson	N

Representative Todd Porter	Y
Representative Vicky Steiner	Y
Representative Nathan Toman	Y
Representative Austin Foss	N
Representative Zachary Ista	AB

4:03 p.m. Motion passed 11-2-1.

4:03 p.m. Vice Chairman Hagert moved a Do Pass as Amended and re-refer to Appropriations.

4:00 p.m. Representative Motschenbacher seconded the motion.

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Jason Dockter	Y
Representative Ty Dressler	Y
Representative Jim Grueneich	Y
Representative Mike Motschenbacher	Y
Representative Dennis Nehring	Y
Representative Jeremy Olson	Y
Representative Todd Porter	Y
Representative Vicky Steiner	Y
Representative Nathan Toman	Y
Representative Austin Foss	N
Representative Zachary Ista	AB

4:04 p.m. Motion passed 12-1-1

4:04 p.m. Vice Chairman Hagert will carry the bill.

4:04 p.m. Chairman Headland closed the meeting.

Janae Pinks, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

VC 4/9/25
1 of 5

ENGROSSED SENATE BILL NO. 2093

Introduced by

Senators Larson, Rummel

1 A BILL for an Act to amend and reenact subsection 1 of section 57-38-30.3 and subdivision u of
2 subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to income tax
3 rates for individuals, estates, and trusts and an income tax deduction for retired law
4 enforcement personnel benefits; ~~and~~ to provide for retroactive application; and to provide an
5 effective date.

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

7 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-38-30.3 of the North Dakota
8 Century Code is amended and reenacted as follows:

- 9 1. A tax is hereby imposed for each taxable year upon income earned or received in that
10 taxable year by every resident and nonresident individual, estate, and trust. A taxpayer
11 computing the tax under this section is only eligible for those adjustments or credits
12 that are specifically provided for in this section. Provided, that for purposes of this
13 section, any person required to file a state income tax return under this chapter, but
14 who has not computed a federal taxable income figure, shall compute a federal
15 taxable income figure using a pro forma return in order to determine a federal taxable
16 income figure to be used as a starting point in computing state income tax under this
17 section. The tax for individuals is equal to North Dakota taxable income multiplied by
18 the rates in the applicable rate schedule in subdivisions a through d corresponding to
19 an individual's filing status used for federal income tax purposes. For an estate or
20 trust, the schedule in subdivision e must be used for purposes of this subsection.

1	a.	Single, other than head of household or surviving spouse.			
2		If North Dakota taxable income is:			
3		Over	Not over	The tax is equal to	Of amount over
4		\$0	\$44,725	\$0.00 + 0.00%	\$0
5		\$44,725	\$225,975	\$0.00 + 1.95%	\$44,725
6		\$225,975		\$3,534.38 + 2.50%	\$225,975
7		\$0	\$51,300	\$0.00 + 0.00%	\$0
8		\$51,300	\$244,825	\$0.00 + 1.95%	\$51,300
9		\$244,825		\$3,773.74 + 2.50%	\$244,825
10	b.	Married filing jointly and surviving spouse.			
11		If North Dakota taxable income is:			
12		Over	Not over	The tax is equal to	Of amount over
13		\$0	\$74,750	\$0.00 + 0.00%	\$0
14		\$74,750	\$275,100	\$0.00 + 1.95%	\$74,750
15		\$275,100		\$3,906.83 + 2.50%	\$275,100
16		\$0	\$85,700	\$0.00 + 0.00%	\$0
17		\$85,700	\$298,075	\$0.00 + 1.95%	\$85,700
18		\$298,075		\$4,141.31 + 2.50%	\$298,075
19	c.	Married filing separately.			
20		If North Dakota taxable income is:			
21		Over	Not over	The tax is equal to	Of amount over
22		\$0	\$37,375	\$0.00 + 0.00%	\$0
23		\$37,375	\$137,550	\$0.00 + 1.95%	\$37,375
24		\$137,550		\$1,953.41 + 2.50%	\$137,550
25		\$0	\$42,850	\$0.00 + 0.00%	\$0
26		\$42,850	\$149,025	\$0.00 + 1.95%	\$42,850
27		\$149,025		\$2,070.41 + 2.50%	\$149,025
28	d.	Head of household.			
29		If North Dakota taxable income is:			
30		Over	Not over	The tax is equal to	Of amount over
31		\$0	\$59,950	\$0.00 + 0.00%	\$0

1	\$59,950	\$250,550	\$0.00 + 1.95%	\$59,950
2	\$250,550		\$3,716.70 + 2.50%	\$250,550
3	\$0	\$68,700	\$0.00 + 0.00%	\$0
4	\$68,700	\$271,450	\$0.00 + 1.95%	\$68,700
5	\$271,450		\$3,953.63 + 2.50%	\$271,450

e. Estates and trusts.

If North Dakota taxable income is:

8	Over	Not over	The tax is equal to	Of amount over
9	\$0	\$3,000	\$0.00 + 0.00%	\$0
10	\$3,000	\$10,750	\$0.00 + 1.95%	\$3,000
11	\$10,750		\$151.13 + 2.50%	\$10,750
12	\$0	\$3,250	\$0.00 + 0.00%	\$0
13	\$3,250	\$11,650	\$0.00 + 1.95%	\$3,250
14	\$11,650		\$163.80 + 2.50%	\$11,650

f. For an individual who is not a resident of this state for the entire year, or for a nonresident estate or trust, the tax is equal to the tax otherwise computed under this subsection multiplied by a fraction in which:

- (1) The numerator is the federal adjusted gross income allocable and apportionable to this state; and
- (2) The denominator is the federal adjusted gross income from all sources reduced by the net income from the amounts specified in subdivisions a and b of subsection 2.

In the case of married individuals filing a joint return, if one spouse is a resident of this state for the entire year and the other spouse is a nonresident for part or all of the tax year, the tax on the joint return must be computed under this subdivision.

g. The tax commissioner shall prescribe new rate schedules that apply in lieu of the schedules set forth in subdivisions a through e. The new schedules must be determined by increasing the minimum and maximum dollar amounts for each income bracket for which a tax is imposed by the cost-of-living adjustment for the taxable year as determined by the secretary of the United States treasury for

purposes of section 1(f) of the United States Internal Revenue Code of 1954, as amended. For this purpose, the rate applicable to each income bracket may not be changed, and the manner of applying the cost-of-living adjustment must be the same as that used for adjusting the income brackets for federal income tax purposes.

- h. The tax commissioner shall prescribe an optional simplified method of computing tax under this section that may be used by an individual taxpayer who is not entitled to claim an adjustment under subsection 2 or credit against income tax liability under subsection 7.

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

- u. Reduced by the amount of retired law enforcement personnel benefits received by a ~~taxpayer who has served a combined total of at least twenty years as a peace officer or has medically retired from the taxpayer's duties as a peace officer with a medical certificate due to a permanent mental or physical disability that rendered the taxpayer unable to discharge the taxpayer's duties as a peace officer~~ qualified retired peace officer, including retired law enforcement personnel benefits paid to the surviving spouse of a deceased qualified retired peace officer, but only to the extent the amount was included in federal taxable income. For purposes of this subdivision:

- (1) "Peace officer" means a public servant authorized by law or by a government agency or branch of the United States, a state, or a political subdivision of a state to enforce the law and to conduct or engage in investigations of violations of the law.

- (2) "Qualified retired peace officer" means a peace officer who has:

- (a) Served a combined total of at least twenty years as a peace officer; or
(b) Medically retired from the peace officer's duties with a medical certificate due to a permanent mental or physical disability that rendered the peace officer unable to discharge the peace officer's duties.

1 (2)(3) "Retired law enforcement personnel benefits" means retirement income
2 received by a ~~taxpayer~~qualified retired peace officer or surviving spouse of a
3 deceased qualified retired peace officer who is eligible to receive retirement
4 income attributable to the ~~taxpayer's~~qualified retired peace officer's
5 employment as a peace officer from a retirement plan maintained by or
6 through the employer from which the ~~taxpayer~~qualified retired peace officer
7 retired as a peace officer.

8 **SECTION 3. RETROACTIVE APPLICATION.** ~~This~~Section 2 of this Act applies retroactively
9 to taxable years beginning after December 31, 2023.

10 **SECTION 4. EFFECTIVE DATE.** Section 1 of this Act is effective for taxable years
11 beginning after December 31, 2024.

**REPORT OF STANDING COMMITTEE
ENGROSSED SB 2093**

Finance and Taxation Committee (Rep. Headland, Chairman) recommends **AMENDMENTS** ([25.0009.02003](#)) and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (12 YEAS, 1 NAY, 1 ABSENT OR EXCUSED AND NOT VOTING). Engrossed SB 2093 was placed on the Sixth order on the calendar.

25.0009.02003
Title.

Prepared by the Legislative Council
staff for Representative Hagert
April 9, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2093

Introduced by

Senators Larson, Rummel

1 A BILL for an Act to amend and reenact subsection 1 of section 57-38-30.3 and subdivision u of
2 subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to income tax
3 rates for individuals, estates, and trusts and an income tax deduction for retired law
4 enforcement personnel benefits; ~~and~~ to provide for retroactive application; and to provide an
5 effective date.

6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

7 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-38-30.3 of the North Dakota
8 Century Code is amended and reenacted as follows:

- 9 1. A tax is hereby imposed for each taxable year upon income earned or received in that
10 taxable year by every resident and nonresident individual, estate, and trust. A taxpayer
11 computing the tax under this section is only eligible for those adjustments or credits
12 that are specifically provided for in this section. Provided, that for purposes of this
13 section, any person required to file a state income tax return under this chapter, but
14 who has not computed a federal taxable income figure, shall compute a federal
15 taxable income figure using a pro forma return in order to determine a federal taxable
16 income figure to be used as a starting point in computing state income tax under this
17 section. The tax for individuals is equal to North Dakota taxable income multiplied by
18 the rates in the applicable rate schedule in subdivisions a through d corresponding to
19 an individual's filing status used for federal income tax purposes. For an estate or
20 trust, the schedule in subdivision e must be used for purposes of this subsection.

1	a.	Single, other than head of household or surviving spouse.			
2		If North Dakota taxable income is:			
3		Over	Not over	The tax is equal to	Of amount over
4		\$0	\$44,725	\$0.00 + 0.00%	\$0
5		\$44,725	\$225,975	\$0.00 + 1.95%	\$44,725
6		\$225,975		\$3,534.38 + 2.50%	\$225,975
7		\$0	\$51,300	\$0.00 + 0.00%	\$0
8		\$51,300	\$244,825	\$0.00 + 1.95%	\$51,300
9		\$244,825		\$3,773.74 + 2.50%	\$244,825
10	b.	Married filing jointly and surviving spouse.			
11		If North Dakota taxable income is:			
12		Over	Not over	The tax is equal to	Of amount over
13		\$0	\$74,750	\$0.00 + 0.00%	\$0
14		\$74,750	\$275,100	\$0.00 + 1.95%	\$74,750
15		\$275,100		\$3,906.83 + 2.50%	\$275,100
16		\$0	\$85,700	\$0.00 + 0.00%	\$0
17		\$85,700	\$298,075	\$0.00 + 1.95%	\$85,700
18		\$298,075		\$4,141.31 + 2.50%	\$298,075
19	c.	Married filing separately.			
20		If North Dakota taxable income is:			
21		Over	Not over	The tax is equal to	Of amount over
22		\$0	\$37,375	\$0.00 + 0.00%	\$0
23		\$37,375	\$137,550	\$0.00 + 1.95%	\$37,375
24		\$137,550		\$1,953.41 + 2.50%	\$137,550
25		\$0	\$42,850	\$0.00 + 0.00%	\$0
26		\$42,850	\$149,025	\$0.00 + 1.95%	\$42,850
27		\$149,025		\$2,070.41 + 2.50%	\$149,025
28	d.	Head of household.			
29		If North Dakota taxable income is:			
30		Over	Not over	The tax is equal to	Of amount over
31		\$0	\$59,950	\$0.00 + 0.00%	\$0

1	\$59,950	\$250,550	\$0.00 + 1.95%	\$59,950
2	\$250,550		\$3,716.70 + 2.50%	\$250,550
3	\$0	\$68,700	\$0.00 + 0.00%	\$0
4	\$68,700	\$271,450	\$0.00 + 1.95%	\$68,700
5	\$271,450		\$3,953.63 + 2.50%	\$271,450

e. Estates and trusts.

If North Dakota taxable income is:

8	Over	Not over	The tax is equal to	Of amount over
9	\$0	\$3,000	\$0.00 + 0.00%	\$0
10	\$3,000	\$10,750	\$0.00 + 1.95%	\$3,000
11	\$10,750		\$151.13 + 2.50%	\$10,750
12	\$0	\$3,250	\$0.00 + 0.00%	\$0
13	\$3,250	\$11,650	\$0.00 + 1.95%	\$3,250
14	\$11,650		\$163.80 + 2.50%	\$11,650

f. For an individual who is not a resident of this state for the entire year, or for a nonresident estate or trust, the tax is equal to the tax otherwise computed under this subsection multiplied by a fraction in which:

- (1) The numerator is the federal adjusted gross income allocable and apportionable to this state; and
- (2) The denominator is the federal adjusted gross income from all sources reduced by the net income from the amounts specified in subdivisions a and b of subsection 2.

In the case of married individuals filing a joint return, if one spouse is a resident of this state for the entire year and the other spouse is a nonresident for part or all of the tax year, the tax on the joint return must be computed under this subdivision.

g. The tax commissioner shall prescribe new rate schedules that apply in lieu of the schedules set forth in subdivisions a through e. The new schedules must be determined by increasing the minimum and maximum dollar amounts for each income bracket for which a tax is imposed by the cost-of-living adjustment for the taxable year as determined by the secretary of the United States treasury for

1 purposes of section 1(f) of the United States Internal Revenue Code of 1954, as
2 amended. For this purpose, the rate applicable to each income bracket may not
3 be changed, and the manner of applying the cost-of-living adjustment must be
4 the same as that used for adjusting the income brackets for federal income tax
5 purposes.

- 6 h. The tax commissioner shall prescribe an optional simplified method of computing
7 tax under this section that may be used by an individual taxpayer who is not
8 entitled to claim an adjustment under subsection 2 or credit against income tax
9 liability under subsection 7.

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

- 12 u. Reduced by the amount of retired law enforcement personnel benefits received
13 by a taxpayer who has served a combined total of at least twenty years as a
14 peace officer or has medically retired from the taxpayer's duties as a peace
15 officer with a medical certificate due to a permanent mental or physical disability
16 that rendered the taxpayer unable to discharge the taxpayer's duties as a peace
17 officer, qualified retired peace officer, including retired law enforcement personnel
18 benefits paid to the surviving spouse of a deceased qualified retired peace officer,
19 but only to the extent the amount was included in federal taxable income. For
20 purposes of this subdivision:

- 21 (1) "Peace officer" means a public servant authorized by law or by a
22 government agency or branch of the United States, a state, or a political
23 subdivision of a state to enforce the law and to conduct or engage in
24 investigations of violations of the law.

- 25 (2) "Qualified retired peace officer" means a peace officer who has:

- 26 (a) Served a combined total of at least twenty years as a peace officer; or
27 (b) Medically retired from the peace officer's duties with a medical
28 certificate due to a permanent mental or physical disability that
29 rendered the peace officer unable to discharge the peace officer's
30 duties.

1 (2)(3) "Retired law enforcement personnel benefits" means retirement income
2 received by a ~~taxpayer~~qualified retired peace officer or surviving spouse of a
3 deceased qualified retired peace officer who is eligible to receive retirement
4 income attributable to the ~~taxpayer's~~qualified retired peace officer's
5 employment as a peace officer from a retirement plan maintained by or
6 through the employer from which the ~~taxpayer~~qualified retired peace officer
7 retired as a peace officer.

8 **SECTION 3. RETROACTIVE APPLICATION.** ~~This~~Section 2 of this Act applies retroactively
9 to taxable years beginning after December 31, 2023.

10 **SECTION 4. EFFECTIVE DATE.** Section 1 of this Act is effective for taxable years
11 beginning after December 31, 2024.

2025 HOUSE APPROPRIATIONS

SB 2093

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2093
4/14/2025

A BILL for an Act to amend and reenact subsection 1 of section 57-38-30.3 and subdivision u of subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to income tax rates for individuals, estates, and trusts and an income tax deduction for retired law enforcement personnel benefits; to provide for retroactive application; and to provide an effective date.

9:41 a.m. Chairman Vigesaa opened the meeting.

Members present: Chairman Vigesaa, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Member absent: Vice Chairman Kempenich

Discussion Topics:

- Widows of Peace Officers
- ND Tax Brackets

9:42 a.m. Representative Headland introduced the bill.

9:45 a.m. Chairman Vigesaa closed the meeting.

Krystal Eberle, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2093
4/15/2025

A BILL for an Act to amend and reenact subsection 1 of section 57-38-30.3 and subdivision u of subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to income tax rates for individuals, estates, and trusts and an income tax deduction for retired law enforcement personnel benefits; to provide for retroactive application; and to provide an effective date.

8:55 a.m. Chairman Vigesaa opened the meeting.

Members present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Members absent: Representative Berg, Nathe

Discussion Topics:

- Committee Action

8:56 a.m. Representative Monson moved to remove income tax portion on Sections 1 and 4.

8:57 a.m. Levi Kinnischtzke, Senior Fiscal Analyst, Fiscal Division of ND Legislative Council, Neutral, provided verbal testimony.

8:58 a.m. Representative J. Nelson seconded the motion.

9:01 a.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	N
Representative Keith Kempenich	N
Representative Bert Anderson	Y
Representative Mike Berg	AB
Representative Glenn Bosch	Y
Representative Mike Brandenburg	N
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	N
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	AB
Representative Jon O. Nelson	Y

Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

9:01 a.m. Motion passed 17-4-2.

9:06 a.m. Representative Kempenich moved Do Pass as Amended.

9:06 a.m. Representative Monson seconded the motion.

9:06 a.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	AB
Representative Glenn Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	AB
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

9:06 a.m. Motion passed 21-0-2.

9:06 a.m. Representative Kempenich will carry the bill.

9:07 a.m. Chairman Vigesaa closed the meeting.

Krystal Eberle, Committee Clerk

April 15, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

CO
4/15/25
LOFZ

ENGROSSED SENATE BILL NO. 2093

Introduced by

Senators Larson, Rummel

In place of the amendments (25.0009.02003) adopted by the House, Engrossed Senate Bill No. 2093 is amended by amendment (25.0009.02004) as follows:

- 1 A BILL for an Act to amend and reenact subdivision u of subsection 2 of section 57-38-30.3 of
2 the North Dakota Century Code, relating to an income tax deduction for retired law enforcement
3 personnel benefits; and to provide for retroactive application.

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

5 **SECTION 1. AMENDMENT.** Subdivision u of subsection 2 of section 57-38-30.3 of the
6 North Dakota Century Code is amended and reenacted as follows:

- 7 u. Reduced by the amount of retired law enforcement personnel benefits received
8 by a taxpayer who has served a combined total of at least twenty years as a
9 peace officer or has medically retired from the taxpayer's duties as a peace
10 officer with a medical certificate due to a permanent mental or physical disability
11 that rendered the taxpayer unable to discharge the taxpayer's duties as a peace
12 officer qualified retired peace officer, including retired law enforcement personnel
13 benefits paid to the surviving spouse of a deceased qualified retired peace officer,
14 but only to the extent the amount was included in federal taxable income. For
15 purposes of this subdivision:
- 16 (1) "Peace officer" means a public servant authorized by law or by a
17 government agency or branch of the United States, a state, or a political
18 subdivision of a state to enforce the law and to conduct or engage in
19 investigations of violations of the law.

- 1 (2) "Qualified retired peace officer" means a peace officer who has:
- 2 (a) Served a combined total of at least twenty years as a peace officer; or
- 3 (b) Medically retired from the peace officer's duties with a medical
- 4 certificate due to a permanent mental or physical disability that
- 5 rendered the peace officer unable to discharge the peace officer's
- 6 duties.
- 7 (2)(3) "Retired law enforcement personnel benefits" means retirement income
- 8 received by a ~~taxpayer~~qualified retired peace officer or surviving spouse of a
- 9 deceased qualified retired peace officer who is eligible to receive retirement
- 10 income attributable to the ~~taxpayer's~~qualified retired peace officer's
- 11 employment as a peace officer from a retirement plan maintained by or
- 12 through the employer from which the ~~taxpayer~~qualified retired peace officer
- 13 retired as a peace officer.

14 **SECTION 2. RETROACTIVE APPLICATION.** ~~This~~Section 1 of this Act applies retroactively

15 to taxable years beginning after December 31, 2023.

**REPORT OF STANDING COMMITTEE
ENGROSSED AND AMENDED SB 2093**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS** ([25.0009.02004](#)) and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT OR EXCUSED AND NOT VOTING). Engrossed SB 2093, as amended, was placed on the Sixth order on the calendar.

2025 CONFERENCE COMMITTEE

SB 2093

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2093
4/28/2025
Conference Committee

Relating to an income tax deduction for retired law enforcement personnel benefits; and to provide for retroactive application.

1:34 p.m. Chairman Weber called the meeting to order.

Members present: Chairman Weber, Senator Rummel, Senator Patten, Representative Hagert, Representative Grueneich, Representative Steiner

Discussion Topics:

- Income tax brackets and relief

1:34 p.m. Chairman Weber provided discussion regarding retirement benefits for retired law enforcement.

1:36 p.m. Representative Steiner discussed details regarding income tax relief.

1:42 p.m. Senator Rummel provided discussion regarding income tax relief impact.

1:58 p.m. Chairman Weber adjourned the meeting.

Chance Anderson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2093
4/29/2025
Conference Committee

Relating to an income tax deduction for retired law enforcement personnel benefits; and to provide for retroactive application.

11:01 a.m. Chairman Weber called the meeting to order.

Members present: Chairman Weber, Senator Rummel, Senator Patten, Representative Hagert, Representative Grueneich, Representative Steiner

Discussion Topics:

- Income tax brackets and relief

11:01 a.m. Representative Grueneich provided discussion regarding income tax relief.

11:07 a.m. Senator Rummel moved to Reject House Amendment LC#25.0009.02003.

11:07 a.m. Senator Patten seconded the motion.

Motion failed 3-3-0.

11:10 a.m. Senator Rummel moved to Accept House Amendment LC#25.0009.02003.

11:10 a.m. Senator Patten seconded the motion.

Motion passed 6-0-0.

Senator Rummel will carry the bill for the Senate.

Representative Hagert will carry the bill for the House.

11:10 a.m. Chairman Weber adjourned the meeting.

Chance Anderson, Committee Clerk

SB 2093 042925 1108 AM Roll Call Vote

Final Recommendation

SB 2093

Date Submitted: April 29, 2025, 11:08 a.m.

Recommendation: Reject

Amendment LC #: 25.0009.02003

Engrossed LC #: N/A

Description:

Motioned By: Rummel, Dean

Seconded By: Patten, Dale

House Carrier: N/A

Senate Carrier: N/A

Emergency Clause: None

Vote Results: 3 - 3 - 0

Sen. Weber, Mark F.	Yea
Sen. Rummel, Dean	Yea
Sen. Patten, Dale	Yea
Rep. Hagert, Jared	Nay
Rep. Grueneich, Jim	Nay
Rep. Steiner, Vicky	Nay

SB 2093 042925 1115 AM Roll Call Vote

Final Recommendation

SB 2093

Date Submitted: April 29, 2025, 11:15 a.m.

Recommendation: Accept

Amendment LC #: 25.0009.02003

Engrossed LC #: N/A

Description:

Motioned By: Rummel, Dean

Seconded By: Patten, Dale

House Carrier: Hagert, Jared

Senate Carrier: Rummel, Dean

Emergency Clause: None

Vote Results: 6 - 0 - 0

Sen. Weber, Mark F.	Yea
Sen. Rummel, Dean	Yea
Sen. Patten, Dale	Yea
Rep. Hagert, Jared	Yea
Rep. Grueneich, Jim	Yea
Rep. Steiner, Vicky	Yea

**REPORT OF CONFERENCE COMMITTEE
ENGROSSED SB 2093**

Your conference committee (Sens. Weber, Rummel, Patten and Reps. Hagert, Grueneich, Steiner) recommends the **SENATE ACCEPT** the House amendments ([25.0009.02003](#)) to Engrossed SB 2093.

Engrossed SB 2093 was placed on the Seventh order of business on the calendar.