

North Dakota Tax Incentives for Businesses

Tax Incentive	NDCC	Enacted	Type of Tax Incentive	NDCC § 54-35-26(3)	Beneficiary Savings		Interim to Study
					Annual	Biennial	
Agricultural Commodity Processing Facility Investment Tax Credit	57-38.6	2001	Income tax credit	c.	\$ 396,782	\$ 649,596	2015-16
Angel Fund Investment Tax Credit	57-38-01.26	2007	Income tax credit	i.	\$ 4,813,873	\$ 12,197,374	2015-16
Automation Tax Credit	57-38-01.33	2011	Income tax credit	l.	\$ 198,763	\$ 977,007	2015-16
Biodiesel or green diesel production or soybean and canola crushing facility equipment costs	57-38-30.6	2003	Income tax credit	k.	NR	NR	
Biodiesel Sales Equipment Cost Tax Credit	57-38-01.23	2005	Income tax credit	d.	NR	NR	
Blending of Biodiesel Tax Credit	57-38-01.22	2005	Income tax credit	d.	NR	NR	
Certified Nonprofit Development Corporation Investment Credit	10-33-124 and 57-38-01.17	1989	Income tax credit		\$ -	\$ -	
Geothermal, Solar, Wind or Biomass Energy Device Tax Credit (for devices installed before 1/1/2015)	57-38-01.8	1977	Income tax credit				
Internship Employment Credit	57-38-01.24	2007	Income tax credit	g.	\$ 5,267	\$ 14,353	
Microbusiness Income Tax Credit	57-38-01.27	2007	Income tax credit	h.	NR	NR	2015-16
Research Expense Credit	57-38-30.5	1987	Income tax credit	b.		\$ 3,449,515	2015-16
Seed Capital Investment Credit	57-38.5	1993	Income tax credit	e.	\$ 801,287	\$ 2,378,397	2015-16
Wage and Salary Credit	57-38-30.1	1969	Income tax credit	f.	\$ -	\$ -	2015-16
Workforce Recruitment Credit	57-38-01.25 and 57-38-30.3(2)	2007	Income tax credit	j.	NR	NR	
New or Expanding Business Exemption	40-57.1	1969	Income tax exemption	m.	\$ 26,282	\$ 378,098	
Renaissance Zone	40-63	1999	Income tax exemptions, credits and property tax exemptions	a.	\$ 1,041,411	\$ 2,770,666	
New Jobs Training	52-02.1	1993	Income tax withheld from new employees	r.	\$ 1,975,272	\$ 3,683,270	
Coal Severance and Conversion Tax Exemptions	57-60 and 57-61		Payment in lieu of property tax	o.			
Wind Turbine Electric Generators Taxable Valuation (constructed prior to 1/1/2015)	57-06-14.1	2007	Property tax reduction				
Motor Fuel Tax Refund - Agricultural Use	57-43.1-03.1	1989	Refund of Motor Fuel Tax	q.			
Motor Fuel Tax Refund - Emergency Medical Services	57-43.1-03.3	2007	Refund of Motor Fuel Tax	q.			
Motor Fuel Tax Refund - Industrial Use	57-43.1-03	1983	Refund of Motor Fuel Tax	q.			
Agricultural Processing Plant Construction Materials Sales Tax Exemption	57-39.2-04.4	1994	Sales and use tax exemption		\$ 1,492,424	\$ 4,146,473	
Biodiesel Equipment Sales Tax Exemption	57-39.2-04(51)	2005	Sales and use tax exemption				
Carbon Dioxide for Enhanced Oil and Gas Recovery	57-39.2-04(49) and 57-40.2-04(24)	2005	Sales and use tax exemption				
Coal Gasification Byproducts	57-39.2-04.11	2013	Sales and use tax exemption				
Coal Mine Machinery or Equipment	57-39.2-04.8	2011	Sales and use tax exemption		NR	NR	
Computer and Telecommunications Equipment Sales Tax Exemption (set to expire in 2017)	57-39.2-04.9 (formerly 57-39.2-04.7)	2011	Sales and use tax exemption		NR	> \$1,772,462	2015-16
Electrical Generating Facilities - Coal Powered Sales Tax Exemption	57-39.2-04.2 and 57-40.2-04.2	1991	Sales and use tax exemption			*	
Electrical Generating Facilities - Other Sales Tax Exemption	57-39.2-04.2 and 57-40.2-04.2	2007	Sales and use tax exemption			*	
Electrical Generating Facilities - Wind Powered Sales Tax Exemption (set to expire in 2017)	57-39.2-04.2 and 57-40.2-04.2	2001	Sales and use tax exemption			*	2015-16
Fertilizer or Chemical Production Facility Sales and Use Tax Exemption	57-39.2-04.15	2015	Sales and use tax exemption	s.			
Gas Processing Facilities Sales Tax Exemption	57-39.2-04.2 and 57-39.2-04.5	2007	Sales and use tax exemption		\$ 7,495,310	\$ 18,506,560	
Hydrogen Generation Facility Sales Tax Exemption	57-39.2-04(50)	2005	Sales and use tax exemption				
Liquefied Natural Gas Processing Sales Tax Exemption	57-39.2-04.10	2013	Sales and use tax exemption				
Manufacturing Equipment Sales Tax Exemption	57-39.2-04.3	1991	Sales and use tax exemption	n.	\$ 1,786,068	\$ 4,873,431	
Materials used in compressing, gathering, collecting, storing, transporting, or injecting carbon dioxide for use in enhanced recovery of oil or natural gas.	57-39.2-04.14	2015	Sales and use tax exemption	s.			
Oil Refineries Sales Tax Exemption	57-39.2-04.2 and 57-39.2-04.6	2007	Sales and use tax exemption		\$ -	\$ -	
Qualified Data Center Sales Tax Exemption	57-39.2-04.14	2015	Sales and use tax exemption			*	
Oil and Gas Gross Production and Oil Extraction Tax Exemptions - HB 1476 (2015) Eliminated larger incentives and established a Legislative study.	57-51 and 57-51.1; HB 1476 (2015)		Various tax incentives	p.			

NR indicates the information is Not Reportable due to an insufficient number of applications.

* Each of these categories had an insufficient number of applicants to separately disclose them. As a whole, the beneficiaries of these exemptions benefited by \$14,934,347 (2013-15).

NDCC § 54-35-26(4) requires the interim committee to designate for analysis during that interim and a plan to provide for analysis of remaining tax incentives with a six-year period. Commerce's recommendation for analysis during the 2015-16 interim is listed.