

Introduced by

1 A BILL for an Act to amend and reenact subsection 3 of section 54-35-26 and subsection 7 of
2 section 57-38-30.3 of the North Dakota Century Code, relating to the list of economic
3 development tax incentives to be reviewed and the application of tax credits against individual
4 income tax liability; to repeal section 57-38-01.24 of the North Dakota Century Code, relating to
5 the internship program credit; and to provide an effective date.

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

7 **SECTION 1. AMENDMENT.** Subsection 3 of section 54-35-26 of the North Dakota Century
8 Code is amended and reenacted as follows:

- 9 3. The legislative management interim committee assigned the study responsibility under
10 this section may examine economic development tax incentives, shall complete
11 analysis of the incentives it designates for analysis during the interim, and shall
12 approve a plan to provide that each of the economic development tax incentives listed
13 in this subsection is subject to a complete analysis within each six-year period. The
14 interim committee may include in its recommendations any amendments to this
15 section, including amendments to add or remove incentives from the list of incentives
16 subject to analysis under this subsection. Analysis must be completed for economic
17 development tax incentives, including each of the following:
- 18 a. Renaissance zone credits and exemptions.
 - 19 b. Research expense credit.
 - 20 c. Agricultural commodity processing facility investment credit.
 - 21 d. Biodiesel fuel production facility construction or retrofit credit, biodiesel fuel
22 blending credit, and biodiesel fuel equipment credit.
 - 23 e. Seed capital investment credit.
 - 24 f. ~~Internship program credit.~~

- 1 i. ~~Angel fund investment tax credit under section 57-38-01.26 (effective for the first~~
2 ~~taxable year beginning after December 31, 2016).~~
- 3 ~~j-h.~~ Marriage penalty credit under section 57-38-01.28.
- 4 ~~k-l.~~ Research and experimental expenditures under section 57-38-30.5.
- 5 ~~t-j.~~ Geothermal energy device installation credit under section 57-38-01.8.
- 6 ~~m-k.~~ Long-term care partnership plan premiums income tax credit under section
7 57-38-29.3.
- 8 ~~n-l.~~ Employer tax credit for salary and related retirement plan contributions of
9 mobilized employees under section 57-38-01.31.
- 10 ~~e.~~ ~~Automating manufacturing processes tax credit under section 57-38-01.33~~
11 ~~(effective for the first five taxable years beginning after December 31, 2012).~~
- 12 ~~p-m.~~ Income tax credit for passthrough entity contributions to private education
13 institutions under section 57-38-01.7.
- 14 ~~q-n.~~ Angel investor tax credit under section 57-38-01.26.

15 **SECTION 3. REPEAL.** Section 57-38-01.24 of the North Dakota Century Code is repealed.

16 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
17 December 31, 2018.