

Introduced by

Representatives Ertelt, Damschen, Roers Jones, D. Ruby

Senators Clemens, Wobbema

1 A BILL for an Act to amend and reenact subsection 2 of section 57-38-01.21 of the North  
2 Dakota Century Code, relating to an income tax credit for charitable contributions to a qualified  
3 endowment or a qualified nonprofit organization; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 2 of section 57-38-01.21 of the North Dakota  
6 Century Code is amended and reenacted as follows:

7 2. a. An individual is allowed a tax credit against the tax imposed by section  
8 57-38-30.3 in an amount equal to forty percent of the present value of the  
9 aggregate amount of the charitable gift portion of planned gifts made by the  
10 taxpayer during the taxable year to a qualified nonprofit organization or qualified  
11 endowment. The maximum credit that may be claimed under this subsection for  
12 planned gifts made in a taxable year is ten thousand dollars for an individual, or  
13 twenty thousand dollars for married individuals filing a joint return. The credit  
14 allowed under this section may not exceed the taxpayer's income tax liability.

15 b. An individual is allowed a tax credit against the tax imposed by section  
16 57-38-30.3 for making a charitable gift to a qualified endowment or a qualified  
17 nonprofit organization that has been incorporated or established in this state for  
18 no less than two years. The credit is equal to forty percent of the charitable gift. ~~If~~  
19 ~~an individual makes a single charitable gift to a qualified endowment, the~~  
20 ~~charitable gift must be five thousand dollars or more to qualify for the credit. If an~~  
21 ~~individual makes more than one charitable gift to the same qualified endowment,~~  
22 ~~the aggregate amount of the charitable gifts made to that qualified endowment~~  
23 ~~must be five thousand dollars or more to qualify for the credit.~~ The maximum  
24 credit that may be claimed under this subsection for charitable gifts made in a

1 taxable year is ten thousand dollars for an individual or twenty thousand dollars  
2 for married individuals filing a joint return. The tax credit allowed under this  
3 section may not exceed the taxpayer's income tax liability.

4 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
5 December 31, 2020.