

Introduced by

Senator Hogue

(Approved by the Delayed Bills Committee)

1 A BILL for an Act to amend and reenact subsection 4 of section 57-38-01.28 and subdivision t of
2 subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to the marriage
3 penalty credit and an income tax exclusion for social security benefits; and to provide an
4 effective date.

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

6 **SECTION 1. AMENDMENT.** Subsection 4 of section 57-38-01.28 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 4. For purposes of this section:

9 a. "Qualifying income" means the sum of the following, to the extent included in
10 North Dakota taxable income:

11 (1) Earned income as defined in section 32(c)(2) of the Internal Revenue Code;

12 and

13 (2) Income received from a retirement pension, profit-sharing, stock bonus, or
14 annuity plan; ~~and~~

15 ~~(3) Social security benefits as defined in section 86(d)(1) of the Internal~~
16 ~~Revenue Code to the extent included in North Dakota taxable income.~~

17 b. "Qualifying income of the lesser-earning spouse" means the qualifying income of
18 the spouse with the lesser amount of qualifying income for the taxable year
19 minus the sum of:

20 (1) The amount for one exemption under section 151(d) of the Internal Revenue
21 Code; and

22 (2) One-half of the amount of the standard deduction under section 63(c)(2)(A)
23 (4) of the Internal Revenue Code.

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

3 t. ~~For taxpayers with federal adjusted gross income of fifty thousand dollars or less,~~
4 ~~or one hundred thousand dollars or less if married filing jointly, reduced~~Reduced
5 by an~~the~~ amount equal to~~of~~ social security benefits included in a taxpayer's
6 federal adjusted gross income under section 86 of the Internal Revenue Code.

7 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
8 December 31, 2020.