Sixty-second Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 4, 2011

HOUSE BILL NO. 1102

(Finance and Taxation Committee)

(At the request of the Tax Commissioner)

AN ACT to amend and reenact subsection 3 of section 40-63-04 of the North Dakota Century Code, relating to the procedure for electing to take the renaissance zone individual income tax credit; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 3 of section 40-63-04 of the North Dakota Century Code is amended and reenacted as follows:

3. If the cost of a new business purchase, leasehold improvement, or expansion of an existing business, approved as a zone project, exceeds seventy-five thousand dollars, and the business is located in a city with a population of not more than two thousand five hundred, an individual taxpayer may, in lieu of the exemption provided in subsection 2, elect to take an income tax exemption of up to two thousand dollars of ~~personal~~individual income tax liability as determined under section 57-38-30.3. The election must be made on the taxpayer's ~~zone project application~~return as originally and timely filed. The election is irrevocable and binding for the duration of the exemptions provided in subsection 2 or this subsection. If ~~no~~an election is <u>not</u> made on the ~~zone project application~~original return, the taxpayer is only eligible for the exemption provided in subsection 2.

SECTION 2. EFFECTIVE DATE. This Act is effective for zone projects approved after December 31, 2010.

_____   _____
Speaker of the House   President of the Senate

_____   _____
Chief Clerk of the House   Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-second Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1102.

House Vote: Yeas 89   Nays 1   Absent 4

Senate Vote: Yeas 46   Nays 0   Absent 1

_____
Chief Clerk of the House

Received by the Governor at _____M. on _____, 2011.

Approved at _____M. on _____, 2011.

_____
Governor

Filed in this office this _____day of _____, 2011,

at _____ o'clock _____M.

_____
Secretary of State