

Introduced by

Senators Laffen, Flakoll, Robinson

Representatives Beadle, Glassheim

1 A BILL for an Act to amend and reenact subsection 2 of section 57-38-01.21 and subdivision e
2 of subsection 7 of section 57-38-30.3 of the North Dakota Century Code, relating to aggregation
3 of contributions for purposes of the income tax credit for charitable gifts if those gifts are made
4 to qualified endowments under the control of a nonprofit corporation established and operated
5 for the benefit an institution of higher education in this state, its staff, its faculty, or its students;
6 and to provide an effective date.

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

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

- 10 2. a. An individual is allowed a tax credit against the tax imposed by section
11 57-38-30.3 in an amount equal to forty percent of the present value of the
12 aggregate amount of the charitable gift portion of planned gifts made by the
13 taxpayer during the taxable year to a qualified nonprofit organization or qualified
14 endowment. The maximum credit that may be claimed under this subsection for
15 planned gifts made in a taxable year is ten thousand dollars for an individual, or
16 twenty thousand dollars for married individuals filing a joint return. The credit
17 allowed under this section may not exceed the taxpayer's income tax liability.
- 18 b. An individual is allowed a tax credit against the tax imposed by section
19 57-38-30.3 for making a charitable gift to a qualified endowment. The credit is
20 equal to forty percent of the charitable gift. If an individual makes a single
21 charitable gift to a qualified endowment, the charitable gift must be five thousand
22 dollars or more to qualify for the credit. If an individual makes more than one
23 charitable gift to the same qualified endowment, the aggregate amount of the
24 charitable gifts made to that qualified endowment must be five thousand dollars

1 or more to qualify for the credit. Charitable gifts made by an individual to more
2 than one qualified endowment may be aggregated for purposes of satisfying the
3 five thousand dollar minimum contribution amount under this subdivision if all of
4 those qualified endowments are under the control of a single qualified nonprofit
5 organization established and operated for the benefit of an institution of higher
6 education in this state, its staff, its faculty, or its students. The maximum credit
7 that may be claimed under this subsection for charitable gifts made in a taxable
8 year is ten thousand dollars for an individual or twenty thousand dollars for
9 married individuals filing a joint return. The tax credit allowed under this section
10 may not exceed the taxpayer's income tax liability.

11 **SECTION 2. AMENDMENT.** Subdivision e of subsection 7 of section 57-38-30.3 of the
12 North Dakota Century Code is amended and reenacted as follows:

13 e. Planned gift and qualified endowments tax credit under section 57-38-01.21.

14 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
15 December 31, 2014.