

Sixty-seventh  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1129

Introduced by

Representatives Bellew, Dockter, Martinson, Mock, Nathe, Rohr, M. Ruby

Senators Dever, Schaible

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 ~~fiftyseventy-five~~ fifty thousand  
4           dollars or less, or one hundred fifty thousand dollars or less if married filing jointly,  
5           reduced by an amount equal to social security benefits included in a taxpayer's  
6           federal adjusted gross income under section 86 of the Internal Revenue Code.

7       **SECTION 3. AMENDMENT.** Subdivision t of subsection 2 of section 57-38-30.3 of the North  
8 Dakota Century Code, as amended by section 2 of this Act, is amended and reenacted as  
9 follows:

10           t. ~~For taxpayers with federal adjusted gross income of seventy-five thousand~~  
11           ~~dollars or less, or one hundred fifty thousand dollars or less if married filing jointly,~~  
12           ~~reduced~~ Reduced by ~~an~~ the amount equal ~~to~~ of social security benefits included in  
13           a taxpayer's federal adjusted gross income under section 86 of the Internal  
14           Revenue Code.

15       **SECTION 4. EFFECTIVE DATE.** Section 2 of this Act is effective for the first two taxable  
16 years beginning after December 31, 2020. Sections 1 and 3 of this Act are effective for taxable  
17 years beginning after December 31, 2022.