

**Sixty-seventh Legislative Assembly of North Dakota
In Special Session Commencing Monday, November 8, 2021**

SENATE BILL NO. 2351
(Senators Hogue, Dever, Schaible)
(Representatives Louser, Nathe, Steiner)
(Approved by the Delayed Bills Committee)

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

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

4. For purposes of this section:
 - a. "Qualifying income" means the sum of the following, to the extent included in North Dakota taxable income:
 - (1) Earned income as defined in section 32(c)(2) of the Internal Revenue Code; and
 - (2) Income received from a retirement pension, profit-sharing, stock bonus, or annuity plan; ~~and~~
 - (3) ~~Social security benefits as defined in section 86(d)(1) of the Internal Revenue Code to the extent included in North Dakota taxable income.~~
 - b. "Qualifying income of the lesser-earning spouse" means the qualifying income of the spouse with the lesser amount of qualifying income for the taxable year minus the sum of:
 - (1) The amount for one exemption under section 151(d) of the Internal Revenue Code; and
 - (2) One-half of the amount of the standard deduction under section 63(c)(2)(A)(4) of the Internal Revenue Code.

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

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

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

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2351.

Senate Vote: Yeas 46 Nays 1 Absent 0

House Vote: Yeas 88 Nays 0 Absent 6

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2021.

Approved at _____ M. on _____, 2021.

Governor

Filed in this office this _____ day of _____, 2021,

at _____ o'clock _____ M.

Secretary of State