

**Fifty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 4, 2005**

SENATE BILL NO. 2362
(Senators Dever, Cook, Wardner)
(Representatives Carlisle, L. Meier, Thoreson)

AN ACT to amend and reenact subdivision u of subsection 1 of section 57-38-01.2 and subdivision g of subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to income tax deduction for income of national guard and reserve volunteers for federal active duty; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subdivision u of subsection 1 of section 57-38-01.2 of the North Dakota Century Code is amended and reenacted as follows:

- u. Reduced by the amount received by the taxpayer as payment for services performed when ~~called or ordered to~~ mobilized under title 10 United States Code federal service as a member of the national guard or reserve member of the armed forces of the United States. An individual claiming the reduction under this subdivision may not also claim the reduction under subdivision k for the time the individual was under federal orders for active duty and may not claim a reduction on income already excluded from federal taxation due to service in a combat or hazardous duty zone. This subdivision does not apply to federal service while attending annual training, basic military training, or professional military education, ~~or active guard and reserve tours for which the member has volunteered.~~

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

- g. Reduced by the amount received by the taxpayer as payment for services performed when ~~called or ordered to~~ mobilized under title 10 United States Code federal service as a member of the national guard or reserve member of the armed forces of the United States. This subdivision does not apply to federal service while attending annual training, basic military training, or professional military education, ~~or active guard and reserve tours for which the member has volunteered.~~

SECTION 3. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 2004.

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 Fifty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2362.

Senate Vote: Yeas 44 Nays 0 Absent 3

House Vote: Yeas 87 Nays 0 Absent 7

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2005.

Approved at _____ M. on _____, 2005.

Governor

Filed in this office this _____ day of _____, 2005,
at _____ o'clock _____ M.

Secretary of State