

Schedule  
**ND-1SA**

North Dakota Office of State Tax Commissioner

**Statutory Adjustments**



**2018**

**Attach to Form ND-1**

Your name (First, MI, Last name)

Your social security number

**Important! All taxpayers must read this section.** If you are claiming a deduction on line 1 or 2 of this schedule, you must complete this section. See "Property tax clearance" in instructions for details.

▶ Do you (or does your spouse, if filing jointly) hold a 50 percent or more ownership interest in real property located in North Dakota? -----  Yes  No

If yes, enter name of each North Dakota county in which you or your spouse holds a 50% or more interest in real property:

**Attach to Form ND-1 the completed Property Tax Clearance Record obtained from each county identified above.**

- 1. Renaissance zone income exemption (Attach Schedule RZ) ----- (S7) 1 \_\_\_\_\_
- 2. New or expanding business income exemption ----- (NH) 2 \_\_\_\_\_
- 3. Human organ donor expense deduction ----- (NL) 3 \_\_\_\_\_
- 4. Employee workforce recruitment exclusion ----- (CA) 4 \_\_\_\_\_
- 5. Total subtractions. Add lines 1 through 4. Enter result on Form ND-1, line 16 ----- 5 \_\_\_\_\_

**Instructions**

If you have any of the adjustments shown on this schedule, you must complete and attach it to Form ND-1.

**Disclosure notification**

Upon written request from the chairman of a North Dakota legislative standing committee or Legislative Management, the law requires the Office of State Tax Commissioner to disclose the amount of any deduction or credit claimed on a tax return. Any other confidential information, such as a taxpayer's name or social security number, may not be disclosed.

**Property tax clearance**

North Dakota Century Code § 57-01-15.1 provides that, before certain state tax incentives may be claimed, a taxpayer must obtain a property tax clearance record from each North Dakota county in which the taxpayer holds a 50 percent or more ownership interest in real property. The property tax clearance record(s) must be attached to the North Dakota tax return on which the incentive is claimed. The deductions on lines 1 and 2 of this schedule are subject to this requirement.

If you are claiming the deduction on line 1 or line 2 of this schedule, you must complete the property tax clearance

section at the top of the schedule. If you are required to attach a property tax clearance record from a county, obtain one by using the form Property Tax Clearance Record available on the Office of State Tax Commissioner's website.

**Line 1 - Renaissance zone income exemption**

If you qualified for the business or investment income exemption under the North Dakota renaissance zone program, enter the sum of the amounts from Schedule RZ, Part 7, lines 1c and 1h. **Attach Schedule RZ.**

**Line 2 - New or expanding business income exemption**

If you operate a business as a sole proprietorship and were granted a new or expanding business income exemption under N.D.C.C. ch. 40-57.1, enter the portion of your net business income that is eligible for the exemption. For more information on how to calculate the amount of the exempt income, see North Dakota Administrative Code § 81-03-01.1-06. Include on this line a new or expanding business income exemption from a North Dakota Schedule K-1.

**Line 3 - Organ donor deduction**

If you or your dependent, while living, donates part or all of a liver, pancreas, kidney, intestine, lung, or bone marrow for

transplantation into another human being, you may deduct up to \$10,000 of qualified expenses related to the donation that you incurred during the tax year.

Qualified expenses means:

- Lost wages not compensated for by sick pay.
- Unreimbursed medical expenses (as defined for federal income tax purposes) that you did not deduct in calculating your federal taxable income.

The expenses are deductible in the tax year in which they are incurred. They are incurred when the medical care is actually provided, and not when the expenses are billed or paid.

Enter on this line qualified expenses incurred during the tax year.

**Line 4 - Employee workforce recruitment exclusion**

If you receive a statement from your employer verifying that your employer qualified for the North Dakota workforce recruitment income tax credit based on your employment, enter on this line the amount of the signing bonus, moving expense payment, or non-typical fringe benefit payment shown on the statement, but only to the extent it is included in your federal taxable income for the tax year.

**Attach a copy of the statement received from your employer.**