

Appendix: Credit Features at a Glance

| Name of Credit | Applies to Tax Years... | Rate / Amount of Credit | Credit Limit Per Taxpayer | | Other Limitations / Provisions | Unused Credit Options |
|--|----------------------------|---|-------------------------------|-----------|---|-----------------------|
| | | | Per Tax Year | Lifetime | | |
| Agricultural commodity processing facility investment credit | 2005 and after (see Notes) | 30% of eligible investment | \$50,000 | \$250,000 | Program limit: Limited to ten qualified businesses / facilities each calendar year | 10-year carryforward |
| Angel fund investment credit | 2007 – 6/30/17 | 45% of cash investment | \$45,000 | \$500,000 | \$5 million of credits per angel fund | 7-year carryforward |
| Automation manufacturing machinery and equipment credit | 2013-2017 | 20% of purchase price | | | Program limit (all taxpayers): <ul style="list-style-type: none"> • \$2 million of credits per calendar year for 2013-15 • \$500,000 per calendar year for 2016-17 • Credit may be used to reduce the tax of an affiliate in a ND consolidated return | 5-year carryforward |
| Biodiesel fuel blending credit | 2005 and after | \$0.05 per gallon blended | | | | 5-year carryforward |
| Biodiesel fuel production facility credit | 2003 and after | <ul style="list-style-type: none"> • 10% of eligible costs • Allowed in each of first 5 tax years upon production start | | \$250,000 | | 5-year carryforward |
| Biodiesel fuel sales equipment costs credit | 2005 and after | <ul style="list-style-type: none"> • 10% of eligible costs • Allowed in each of first 5 tax years upon sales start | | \$50,000 | | 5-year carryforward |
| Canola or soybean crushing facility credit | 2009 and after | <ul style="list-style-type: none"> • 10% of eligible costs • Allowed in each of first 5 tax years upon production start | | \$250,000 | | 5-year carryforward |
| Credit for wages paid to mobilized employee | 2009 and after | 25% of the lesser of: <ul style="list-style-type: none"> • actual civilian wages paid during mobilization or • deemed civilian wages over actual military wages paid | \$1,000 per eligible employee | | | 5-year carryforward |

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| Developmentally disabled or chronically mentally ill person employment credit | 1987 and after | 5% of first \$6,000 of wages paid during first 12 months of employment | 50% of tax | | | None |
| Endowment fund contribution credit | 2007 and after | 40% of contributions | \$10,000 | | ND taxable income must be increased to extent contribution reduced federal taxable income | 3-year carryforward |
| Energy device credit—biomass, geothermal, solar, or wind device credit | Solar and wind: 1977-2014 (see “Other Limitations / Provisions” for exception for wind device) Geothermal: 1981-2014 Biomass: 2007-2014 | <ul style="list-style-type: none"> 3% of eligible costs Allowed in each of first 5 tax years, starting in year installed | | | <ul style="list-style-type: none"> Except for certain wind devices, device must be installed before 1/1/2015, to qualify. For a wind device only, if construction began before 1/1/2015, it is eligible for the credit if installed before 1/1/2017. Credit may be used to reduce the tax of an affiliate in a ND consolidated return | All devices—If installed in tax years 2005-08 (before 10/1/2008): 5-year carryover. Biomass, geothermal, and solar devices—If installed after 9/30/2008 and before 1/1/2015: 10-year carryover. Wind device—If installed after 9/30/2008 and before 1/1/2012: 30-year carryover. Wind device—If installed after 12/31/2011 and before 1/1/2015 (or 1/1/2017, if construction began before 1/1/2015): 10-year carryover. |
| Housing incentive fund credit carried forward | 2011-2016 | 100% of contribution | | | <ul style="list-style-type: none"> ND taxable income must be increased to extent contribution reduced federal taxable income Program limit (all taxpayers): \$30 million for 2015-16 tax years | 10-year carryforward |
| Internship employment credit | 2007 and after | 10% of wages | | \$3,000 | Limited to 5 interns per year | None |

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| Nonprofit private primary school contribution credit (grades K – 8) | 2015 and after | 50% of contributions | Lesser of \$2,500 or 20% of tax | | | None |
| Nonprofit private high school contribution credit (grades 9 – 12) | 1979 and after | 50% of contributions | Lesser of \$2,500 or 20% of tax | | | None |
| Nonprofit private college contribution credit | 1975 and after | 50% of contributions | Lesser of \$2,500 or 20% of tax | | | None |
| Renaissance zone historic property preservation or renovation credit | 1999 and after | 50% of eligible costs | | | \$250,000 of credits per project | 5-year carryforward |
| Renaissance fund organization investment credit | 1999 and after | 50% of cash investment | | | Program limit (all taxpayers): \$10.5 million of credits | 5-year carryforward |
| Renaissance zone non-participating property owner credit | 1999 and after | 100% of approved costs | | | | 5-year carryforward |
| Research & experimental expenditure credit | 1987 and after | Expenditures in excess of base amount: For 2017: • 25% of first \$100,000; • 8% over \$100,000 (Note: Different rates applied in prior years.) • after 2010—8% | \$2 million, if ND research started before 2007 | | <ul style="list-style-type: none"> • If certified by ND Commerce Dept. as qualified research and development company, up to \$100,000 of credit may be transferred to another taxpayer • Credit may be used to reduce the tax of an affiliate in a ND consolidated return | <ul style="list-style-type: none"> • 3-year carryback • 15-year carryforward (after first being carried back) • If eligible, up to \$100,000 may be transferred to another taxpayer. |
| Rural leadership ND program contributions credit | 2013 and after | 50% of contributions | | | | None |
| Seed capital business investment credit | 2005 and after (see Notes) | 45% of cash investment | \$112,500 | | <ul style="list-style-type: none"> • Program limit per business: Credit limited to first \$500,000 of investments received for all years • Program limit (all investors): \$3.5 million of credits per year | 4-year carryforward |

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| Workforce recruitment credit | 2007 and after | 5% of wages paid in first 12 months of employment | | | Allowed in year after the year in which 12th month of employment falls | 4-year carryforward |
| Notes | | | | | | |
| <ul style="list-style-type: none"> • If more than one credit applies in a given year, apply the credits in the order that is most advantageous. Generally, this means applying the credits in the following order: <ol style="list-style-type: none"> (1) Credits with no carryback or carryforward feature. (2) Credits with a carryback feature. (3) Credits with a carryforward feature. • If a credit is limited based on a percentage of the tax, apply the percentage to the tax before any credits are subtracted. • The agricultural commodity processing facility investment credit was created in 2001, but it was not available to a C corporation until 2005. • The seed capital business investment credit was created in 1993, but it was not available to a C corporation until 2005. | | | | | | |