INITIATIVE PETITION
TO THE SECRETARY OF STATE,
STATE OF NORTH DAKOTA

We, the undersigned, being qualified electors request the following initiated law be placed on the ballot as provided by law.

SPONSORING COMMITTEE

The following are the names and addresses of the qualified electors of the state of North Dakota who, as the sponsoring committee for the petitioners, represent and act for the petitioners in accordance with law:

Duane A. Sand (Chairman) 765 Aspen Avenue Bismarck, ND 58503	Ron Iverson 4227 10th Ave SW #302 Fargo, ND 58103	Kent Olson 1179 Jefferson Avenue Bismarck, ND 58504
Michael J. Baltzer 1665 Pocatello Dr. Bismarck, ND 58504	Samuel S. Johnson 1103 14th Ave N. #5 Wahpeton, ND 58075	Rob Port 621 9th Ave. NE Minot, ND 58703
Lynn A. Bergman 225 Riverside Park Road Bismarck, ND 58504	Loren Kopseng 2750 Wilderness Cove Rd Bismarck, ND 58503	Peder Rice 820 27th St. NW Minot, ND 58703
Roger Bischoff 1290 Central Ave. North Valley City, ND 58072	Ryan V. Kopseng 1308 Riverwood Drive Bismarck, ND 58504	Judd B. Sondreal 853 Shady Ridge Court Grand Forks, ND 58201
Terence B. Bjerke 5336 5th Ave N Grand Forks, ND 58203	Ruth Lane 14421 Hwy 5250 Sawyer, ND 58781	Allen Sauter 501 66th St. S.E. Bismarck, ND 58501
Dustin Gawrylow 800 N. Woodland Dr. Mandan, ND 58554	Randall J. Lehmann 912 Crescent Lane Bismarck, ND 58501	John W. Scott 406 Reeves Drive Grand Forks, ND 58201
A.G. Golden 118 Fairway Court Bismarck, ND 58501	Rudie Martinson 205 N. 2nd St. #34 Bismarck, ND 58504	Ralph Stewart 720 West 13th St Williston, ND 58801
Robert W. Harms 815 Mandan St. Bismarck, ND 58501	Shawn Morten 6220 County Rd. 20 Beulah, ND 58523	Blair Thoreson 1246 2nd Street North Fargo, ND 58102
Peggy Irmen 738 Aster Lane Bismarck, ND 58501	Roger Nelson 15670 25th St. SE Amenia, ND 58004	Dave Weiler 526 Munich Dr. Bismarck, ND 58504
Kenneth Irman 738 Aster Lane Bismarck, ND 58501	Thomas E. Nelson 1533 7th St. S. Fargo, ND 58103	Jackie Williams 720 West 13th Street Williston, ND 58801
Paul L. Irvin 8730 Bar D Road Bismarck, ND	Michael R Motschenbacher 2905 Remuda Drive Bismarck, ND 58503	

BALLOT TITLE

This initiated measure would amend sections 57-38-30 and 57-38-30.3 of the North Dakota Century Code by lowering the state corporate income tax rates by fifteen percent and the adjusted state individual income tax rates by fifty percent for tax years beginning after December 31, 2008.

FULL TEXT OF THE MEASURE

IF THE MATERIAL IS UNDERSCORED, IT IS NEW MATERIAL WHICH IS BEING ADDED. IF MATERIAL IS OVERSTRUCK BY DASHES, THE MATERIAL IS BEING DELETED. IF NO MATERIAL IS UNDERSCORED OR OVERSTRUCK, THE MEASURE CONTAINS ALL NEW MATERIAL WHICH IS BEING ADDED.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF NORTH DAKOTA:

57-38-30. Imposition and rate of tax on corporations. A tax is hereby imposed upon the taxable income of every domestic and foreign corporation which must be levied, collected, and paid annually as in this chapter provided:

1. a. For the first three thousand dollars of taxable income, at the rate of ~~two and six-tenths percent~~ two and twenty-one hundredths percent.

   b. On all taxable income above three thousand dollars and not in excess of eight thousand dollars, at the rate of ~~four and one-tenth percent~~ three and forty-eight hundredths percent.

   c. On all taxable income above eight thousand dollars and not in excess of twenty thousand dollars, at the rate of ~~five and six-tenths percent~~ four and seventy-six hundredths percent.

   d. On all taxable income above twenty thousand dollars and not in excess of thirty thousand dollars, at the rate of ~~six and four-tenths percent~~ five and forty-four hundredths percent.

   e. On all taxable income above thirty thousand dollars, at the rate of ~~six and one-half percent~~ five and fifty-two hundredths percent.

2. A Corporation that has paid North Dakota Alternative minimum tax in years beginning before January 1, 1991, may carry over any alternative minimum tax credit remaining to the extent of the regular income tax liability of the corporation for a period not to exceed four taxable years.

SECTION 2. AMENDMENT. Subsection 1 of section 57-38-30.3 of the North Dakota Century Code is amended and reenacted as follows:

1. A tax is hereby imposed for each taxable year upon income earned or received in that taxable year by every resident and nonresident individual, estate, and trust. A taxpayer computing the tax under this section is only eligible for those adjustments or credits that are specifically provided for in this section. Provided, that for purposes of this section, any person required to file a state income tax return under this chapter, but who has not computed a federal taxable income figure, shall compute a federal taxable income figure using a pro forma return in order to determine a federal taxable income figure to be used as a starting point in computing state income tax under this section. The tax for individuals is equal to North Dakota taxable income multiplied by the rates in the applicable rate schedule in subdivisions a through d corresponding to an individual's filing status used for federal income tax purposes. For an estate or trust, the schedule in subdivision e must be used for purposes of this subsection.

   a. Single, other than head of household or surviving spouse.

If North Dakota taxable income is:	The tax is equal to:
Not over $27,050	~~2.10%~~ 1.05%
Over $27,050 but not over $65,550	~~$568.05~~ $284.03 plus ~~3.92%~~ 1.96% of amount over $27,050
Over $65,550 but not over $136,750	~~$2,077.25~~ $1,038.63 plus ~~4.34%~~ 2.17% of amount over $65,550
Over $136,750 but not over $297,350	~~$5,167.33~~ $2,583.67 plus ~~5.04%~~ 2.52% of amount over $136,750
Over $297,350	~~$13,261.57~~ $6,630.79 plus ~~5.54%~~ 2.77% of amount over $297,350

b. Married filing jointly and surviving spouse.

If North Dakota taxable income is:	The tax is equal to:
Not over $45,200	~~2.10%~~ 1.05%.
Over $45,200 but not over $109,250	~~$949.29~~ $474.60 plus ~~3.92%~~ 1.96% of amount over $45,200
Over $109,250 but not over $166,500	~~$3,459.96~~ $1,729.98 plus ~~4.34%~~ 2.17% of amount over $109.250
Over $166,500 but not over $297,350	~~$5,944.61~~ $2,972.31 plus ~~5.04%~~ 2.52% of amount over $166,500
Over $297,350	~~$12,539.45~~ $6,269.73 plus ~~5.54%~~ 2.77% of amount over $297,350

c. Married filing separately.

If North Dakota taxable income is:	The tax is equal to:
Not over $22,600	~~2.10%~~ 1.05%
Over $22,600 but not over $54,625	~~$474.60~~ $237.30 plus ~~3.92%~~ 1.96% of amount over $22,600
Over $54,625 but not over $83,250	~~$1,729.98~~ $864.99 plus ~~4.34%~~ 2.17% of amount over $54,625
Over $83,250 but not over $148,675	~~$2,972.31~~ $1,486.16 plus ~~5.04%~~ 2.52% of amount over $93,650
Over $148,675	~~$6,269.73~~ $3,134.87 plus ~~5.54%~~ 2.77% of amount over $148,675

d. Head of household.

If North Dakota taxable income is:	The tax is equal to:
Not over $36,250	~~2.10%~~ 1.05%
Over $36,250 but not over $93,650	~~$761.25~~ $380.63 plus ~~3.92%~~ 1.96% of amount over $36,250
Over $93,650 but not over $151,650	~~$3,011.33~~ $1.505.67 plus ~~4.34%~~ 2.17% of amount over $151,650
Over $151,650 but not over $297,350	~~$5,528.53~~ $2,764.27 plus ~~5.04%~~ 2.77% of amount over $151,650
Over $297,350	~~$12,871.81~~ $6,435.91 plus ~~5.54%~~ 2.77% of amount over $297.350

e. Estates and trusts.

If North Dakota taxable income is:	The tax is equal to:
Not over $1,800	~~2.10%~~ 1.05%
Over $1,800 but not over $4,250	~~$37.80~~ $18.90 plus ~~3.92%~~ 1.96% of amount over $1,800
Over $4,250 but not over $6,500	~~$133.84~~ $66.92 plus ~~4.34%~~ 2.17% of amount over $4,250
Over $6,500 but not over $8,900	~~$231.49~~ $115.75 plus ~~5.54%~~ 2.52% of amount over $6,500
Over $8,900	~~$352.45~~ $176.23 plus ~~5.54%~~ 2.77% of amount over $8,900

f. For an individual who is not a resident of this state for the entire year, or for a nonresident estate or trust, the tax is equal to the tax otherwise computed under this subsection multiplied by a fraction in which:

(1) The numerator is the federal adjusted gross income allocable and apportionable to this state; and

(2) The denominator is the federal adjusted gross income from all sources reduced by the net income from the amounts specified in subdivisions a and b of subsection 2.

In the case of married individuals filing a joint return, if one spouse is a resident of this state for the entire year and the other spouse is a nonresident for part or all of the tax year, the tax on the joint return must be computed under this subdivision.

g. For taxable years beginning after December 31, 2001, the tax commissioner shall prescribe new rate schedules that apply in lieu of the schedules set forth in subdivisions a through e. The new schedules must be determined by increasing the minimum and maximum dollar amounts for each income bracket for which a tax is imposed by the cost-of-living adjustment for the taxable year as determined by the secretary of the United States Treasury for purposes of section 1(f) of the United States Internal Revenue Code of 1954, as amended. For this purpose, the rate applicable to each income bracket may not be changed, and the manner of applying the cost-of-living adjustment must be the same used for adjusting the income brackets for federal income tax purposes.

SECTION 3. APPLICATION. The income brackets in subsection 1 of section 57-38-30.3 as provided in section 2 of this Act are the statutory bracket amounts as enacted for taxable year 2001 and do not reflect cost-of-living adjustments that have been made since that time under subdivision g of subsection 1 of section 57-38-30.3. For the purpose of this Act, the tax commissioner shall determine income brackets for each taxable year by applying the appropriate cost-of-living adjustment determined under subdivision g of subsection 1 of section 57-38-30.3 for each taxable year after taxable year 2001.

SECTION 4. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31st, 2008.

INSTRUCTIONS TO PETITION SIGNERS

You are being asked to sign a petition. You must be a qualified elector. This means you are eighteen years old, you have lived in North Dakota thirty days, and you are a United States citizen. All signers must add their complete residential address or rural route or general delivery address and the date of signing. Every qualified elector signing a petition must do so in the presence of the person circulating the petition.

QUALIFIED ELECTORS

Month, Day, Year	Name of Qualified Elector	Residential Address or Complete Rural Address or General Delivery Address	City, State, Zip Code
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			