

North Dakota

What's New

Returns Included	e-File Approved*	e-File Activated
38	12/19/2023	01/02/2024
40	12/07/2023	01/02/2024
58	12/19/2023	01/02/2024
60	12/07/2023	01/02/2024
ND-1	12/04/2023	01/02/2024

*NOTE: Certain return types may not be available for e-file as of the EF approval date. e-File will be activated when the state taxing authority is ready to receive all forms within the applicable package.

New Schedules

- Schedule MCP, Contributions to a Maternity Home, Child Placement Agency, or Pregnancy Help Center
- Schedule ND-1AC, Adoption Tax Credit

Modified Schedules

New tax credits have been added to the following forms:

- Schedule 38-TC, Tax Credits
- Schedule K-1 (Form 58), Partner's Share of North Dakota Income (Loss), Deductions, Adjustments, Credits, and Other Items
- Schedule K-1 (Form 60), Shareholder's Share of North Dakota Income (Loss), Deductions, Adjustments, Credits, and Other Items
- Schedule ND-1TC, Tax Credits

Tax Law Changes

Credits

- The following credits have been added for tax year 2023:
 - Adoption Tax Credit
 - Contributions to Maternity Home, Child Placing Agency, or Pregnancy Help Center
 - Military Pay Deduction

- Peace Officer Retirement Benefits Deduction
- Tax Credit for Compensation Paid to an Apprentice
- **Automation Tax Credit** – Expanded; set aside allocations for first-time claimants and animal agricultural processing, increased allocation from \$2 million → \$6 million per biennium, and removed sunset clause
- **Disabled Employment Tax Credit** – Declared a permanent tax credit
- **Tax Relief Credit for North Dakota Residents** – Expired

Tax Rates

- **New tax brackets for individual and fiduciary returns** – Replaced five-bracket system with a three-bracket system; reduced highest rate from 2.9% → 2.5%
- **Pass-through withholding rates** – Lowered; highest withholding rate is now 2.5%

Supported Forms

The following North Dakota forms are supported in Drake Tax 2023. ND forms cannot be e-signed.

Form	Description	IND	CRP	SCRIP	PTR	FID
38	Fiduciary Return					✓
38-EPV	Fiduciary Electronic Return Payment Voucher					✓
38-ES	Fiduciary Estimated Tax Payment Voucher					✓
38-EXT	Fiduciary Extension Payment Voucher					✓
40	Corporation Income Tax Return		✓			
40-EPV	Corporation Electronic Return Payment Voucher		✓			
40-ES	Corporation Estimated Tax Payment Voucher		✓			
40-EXT	Corporation Extension Payment Voucher		✓			
40-UT	Underpayment of Estimated North Dakota Income Tax		✓			
40X	Amended Corporation Return		✓			
500	Power of Attorney	✓	✓	✓	✓	✓
58	Partnership Return				✓	
58-EPV	Partnership Electronic Return Payment Voucher				✓	
58-ES	Partnership Estimated Tax Payment Voucher				✓	
58-EXT	Partnership Extension Payment Voucher				✓	
60	S Corporation Return			✓		
60-EPV	S Corporation Electronic Return Payment Voucher			✓		
60-ES	S Corporation Estimated Tax Payment Voucher			✓		
60-EXT	S Corporation Extension Payment Voucher			✓		
CTS	Credit Transfer Statement	✓	✓	✓	✓	✓
ND-1	Individual Income Tax Form	✓				
ND-1ES	Individual Estimated Tax Payment Voucher	✓				
ND-1EXT	Individual Extension Payment Voucher	✓				
ND-1PRV	Individual Paper Return Payment Voucher	✓				
ND-1UT	Underpayment of Estimated Individual Income Tax	✓				
ND-1V	Electronic Return Payment Voucher	✓				
ND-EZ	Individual Income Tax Return (Short Form)	✓				
PWA	Pass-Through Entity Withholding Adjustment	✓		✓	✓	✓

Form	Description	IND	CRP	SCRPP	PTR	FID
Schedule 38-TC	Tax Credits					✓
Schedule 38-UT	Calculation of Interest on Underpayment or Late Payment of Estimated Income Tax for Estates and Trusts					✓
Schedule K-1 (Form 38)	Beneficiary Share of Income (Loss), Deductions, Adjustments, Credits, and Other Items	✓				✓
Schedule K-1 (Form 58)	Partner's Share of Income (Loss), Deductions, Adjustments, Credits and Other Items.	✓			✓	
Schedule K-1 (Form 60)	Shareholder's Share of Income (Loss), Deductions, Adjustments, Credits and Other Items.	✓		✓		
Schedule MCP	Contributions to a Maternity Home, Child Placement Agency, or Pregnancy Help Center	✓	✓	✓	✓	✓
Schedule ME	Credit for Wages Paid to Mobilized Employee	✓	✓	✓	✓	✓
Schedule ND-1AC	Adoption Credit	✓				
Schedule ND-1CR	Credit for Tax Paid to Another State	✓				
Schedule ND-1CS	Calculation of Tax on Proceeds from Sale of Income Tax Credit	✓				
Schedule ND-1FA	3-Year Averaging Method for Elected Farm Income	✓				
Schedule ND-1FC	Family Member Care Tax Credit	✓				
Schedule ND-1NR	Nonresident and Part-Year Resident Schedule	✓				
Schedule ND-1PG	Planned Gift Tax Credit	✓				
Schedule ND-1PSC	Nonprofit Private School Tax Credit	✓				
Schedule ND-1QEC	Qualified Endowment Fund Tax Credit	✓				
Schedule ND-1SA	Statutory Adjustments	✓				
Schedule ND-1TC	Tax Credits	✓				
Schedule QEC	Qualified Endowment Fund Tax Credit for Businesses and Fiduciaries		✓	✓	✓	✓
Schedule RZ	Renaissance Zone Act Exemptions and Tax Credit	✓	✓	✓	✓	✓