

Schedule North Dakota Office of State Tax Commissioner
ND-1PG Planned gift tax credit



2011

Attach to Form ND-1

Name(s) shown on return

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Your social security number

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North Dakota qualified nonprofit organization

Name of qualified nonprofit organization		
Address		
City	State	Zip

Name of administering entity, if different from qualified nonprofit organization		
Address		
City	State	Zip

Qualified planned gift

1. Planned gift was given to: ☐ Qualified nonprofit organization
☐ Qualified endowment fund. Enter name of fund ► _____
2. Identify the method used to make the planned gift. See the instructions for the eligibility criteria. (Fill in the applicable circle)
- | | | |
|--|---|--|
| <input type="radio"/> Charitable remainder unitrust | <input type="radio"/> Charitable gift annuity | <input type="radio"/> Deferred charitable gift annuity |
| <input type="radio"/> Charitable remainder annuity trust | <input type="radio"/> Charitable lead unitrust | <input type="radio"/> Charitable life estate |
| <input type="radio"/> Pooled income fund trust | <input type="radio"/> Charitable lead annuity trust | <input type="radio"/> Paid-up life insurance policy |
3. Date on which qualified planned gift was completed ----- 3 _____
MM DD YYYY

Calculation of credit

► If you are only carrying over an unused credit from 2008, 2009, or 2010, skip lines 4 through 7, and go to line 8.

4. Charitable contribution portion of planned gifts completed in 2011 tax year ----- 4 _____
5. Maximum contribution eligible for credit: If married filing jointly, enter \$50,000; otherwise, enter \$25,000 ----- 5 _____
6. Enter smaller of line 4 or line 5 ----- 6 _____
7. 2011 credit. Multiply line 6 by 40% (.40). ----- 7 _____
8. Unused credit carryover, if any, from prior tax year(s) ----- 8 _____
9. Total available credit. Add lines 7 and 8 ----- 9 _____
10. Amount of line 9 used to reduce tax in 2011. See instructions. Enter this amount on Schedule ND-1TC, line 5 ----- 10 _____
11. Unused credit carryover to 2012 ----- 11 _____

Adjustment to North Dakota taxable income

► If you are only carrying over an unused credit from 2008, 2009, or 2010, do not complete lines 12 through 16.

12. Did you use Form 1040 and itemize deductions on Schedule A for the 2011 tax year?
☐ No. Stop here; no adjustment is required on your 2011 return based on your 2011 contribution.
☐ Yes. Enter the amount from Schedule A (Form 1040), line 29 ----- 12 _____
13. Enter the **federal standard deduction** that you would have been allowed on your 2011 Form 1040 had you not itemized deductions on Schedule A (Form 1040) - see instructions for amount to enter on this line ----- 13 _____
14. Subtract line 13 from line 12. If result is less than zero, enter -0- ----- 14 _____
15. Enter the amount from line 6 ----- 15 _____
16. Adjustment amount. Enter smaller of line 14 or line 15. Enter this amount on Form ND-1, line 4a ----- 16 _____

► If you entered an amount on line 4, attach a receipt or statement from the qualified nonprofit organization acknowledging its I.R.C. § 501(c) status, the planned gift method used, the date and amount of the planned gift, and, if applicable, the name of the endowment fund.

General instructions

An individual is allowed an income tax credit for making a qualified planned gift to a qualified nonprofit organization or a qualified endowment fund. *See the instructions to line 2 for what is a qualified planned gift.*

The credit must be claimed first in the tax year in which the planned gift is made. The unused portion of a credit for a planned gift made in the 2011 tax year may be carried forward for up to three tax years.

Adjustment to taxable income—North Dakota taxable income must be increased by the amount of the charitable contribution upon which the credit is computed, but only to the extent that the contribution reduced federal taxable income. See the instructions to the 2011 Form ND-1, line 4a.

Qualified nonprofit organization. A qualified nonprofit organization means an organization that:

1. Is incorporated or established in North Dakota, and has a physical location in North Dakota,
2. Is tax-exempt under I.R.C. § 501(c), and
3. Is a charitable donee organization as defined under I.R.C. § 170.

Qualified endowment fund. A qualified endowment fund means a permanent, irrevocable fund that meets all of the following:

1. It is held by a qualified nonprofit organization (*as defined above*).
2. It is comprised of cash, securities, mutual funds, or other investment assets.
3. It is established for a specific religious, educational, or other charitable purpose.
4. It may expend only the income generated by, or the increase in value of, the assets contributed to it.

Specific line instructions

Name and address

Enter the name of the qualified nonprofit organization to which the planned gift was made. If the planned gift was made to a qualified endowment fund, enter the name of the qualified nonprofit organization that holds the endowment. If a bank, trust company, or other entity administers the planned gift assets or qualified endowment fund on behalf of the qualified nonprofit organization, enter the name and address of that entity in the boxes provided on the schedule.

Line 2

Fill in the circle next to the type of qualified planned gift on which the tax credit is based. To qualify for the credit, the qualified planned gift must consist of an irrevocable charitable contribution that was made using one of the following gifting methods:

Charitable remainder unitrust—To qualify, both of the following must apply:

1. The trust must be a trust defined under I.R.C. § 664(d)(2).
2. The trust agreement must contain a provision stating that the trust may not terminate and that the beneficiary's interest in the trust may not be given to the qualified nonprofit organization or qualified endowment fund before the earlier of (a) the date of death of the beneficiary or (b) the date that is five years after the date of the contribution.

Charitable remainder annuity trust—To qualify, both of the following must be met:

1. The trust must be a trust defined under I.R.C. § 664(d)(1).
2. The trust agreement must contain a provision stating that the trust may not terminate and that the beneficiary's interest in the trust may not be given to the qualified nonprofit organization or qualified endowment fund before the earlier of (a) the date of death of the beneficiary or (b) the date that is five years after the date of the contribution.

Pooled income fund—To qualify, the trust must be a trust defined under I.R.C. § 642(c)(5).

Charitable gift annuity—To qualify, both of the following must be met:

1. The annuity must be a qualified charitable gift annuity as defined for federal income tax purposes.
2. The annuity contract must contain a provision that states the annuitant's interest in the gift annuity may not be assigned to the qualified nonprofit organization or qualified endowment fund before the earlier of (a) the date of death of the annuitant or (b) the date that is five years after the date of the contribution.

Charitable lead unitrust—To qualify, the arrangement must satisfy the requirements of I.R.C. § 170(f)(2)(B).

Charitable lead annuity trust—To qualify, the arrangement must satisfy the requirements of I.R.C. § 170(f)(2)(B).

Deferred charitable gift annuity—To qualify, all of the following must be met:

1. The annuity must be a qualified charitable gift annuity as defined for federal income tax purposes.
2. The annuity contract must contain a provision that requires the payment of the annuity to begin within the life expectancy of the annuitant or of the joint life expectancies of the annuitants, if more than one annuitant, using the actuarial tables applicable to determining the federal charitable income tax deduction on the date of the contribution.
3. The annuity contract must contain a provision that states the annuitant's interest in the gift annuity may not be assigned to the qualified nonprofit organization or qualified endowment fund before the earlier of (a) the date of death of the annuitant or (b) the date that is five years after the date of the contribution.

Charitable life estate agreement—To qualify, the agreement must satisfy the requirements of I.R.C. § 170(f)(3)(B).

Paid-up life insurance policy—To qualify, both of the following must be met:

1. The policy must be a paid-up policy, i.e., all premiums for the policy have been paid, with no more premiums due in the future.
2. The gift of the policy qualifies as a charitable contribution under I.R.C. § 170.

Line 4

Enter the portion of all qualified planned gifts completed in 2011 for which a charitable contribution deduction is allowed in 2011 for federal income tax purposes.

Line 8

Enter the allowable portion of an unused planned gift credit, if any, based on gifts made in the 2008 through 2010 tax years. Use the unused credits in the order that is most beneficial.

Line 10

Enter on this line only that portion of the tax credit on line 9 that is used to reduce the 2011 tax liability. For example, if the allowable tax credit on line 9 is \$1,000, but only \$400 is needed to reduce the tax liability to zero, enter \$400 on line 10.

Line 11

Enter the portion of an unused planned gift credit, if any, based on gifts made in the 2009 through 2011 tax years that is being carried over to the 2012 tax year.

Lines 12 through 16

If an amount is entered on line 4, complete lines 12 through 16.

Line 13

To determine the federal standard deduction that would have been allowed had the individual not itemized deductions, see the instructions to the 2011 Form 1040, line 40.