TAX UNDER 3-YEAR AVERAGING METHOD FOR ELECTED FARM INCOME

NDTax NORTH DAKOTA

OFFICE OF STATE TAX COMMISSIONER

SFN 28727 (12-2026)

Schedule ND-1FA

2026

Attach to Form ND-1

Taxpayer's Name As Shown On Form ND-1	Social Security Number

► **See instructions to this schedule to see if you are eligible to use it.**

1. North Dakota taxable income from Form ND-1, line 18 .... 1 ______
2. Elected farm income from your 2026 Schedule J (Form 1040), line 2a. If this amount includes a net long-term capital gain, see instructions. **Do not enter more than the amount on line 1.** .... ► 2 ______
3. Subtract line 2 from line 1. .... 3 ______
4. Tax on the amount on line 3 from Tax Table in the 2026 Form ND-1 instructions. .... 4 ______
5. If you used Schedule ND-1FA to figure your tax for:
   - 2025, enter the amount from your 2025 Schedule ND-1FA, line 11.
   - 2024 but not 2025, enter amount from your 2024 Schedule ND-1FA, line 15.
   - 2023 but not 2024 nor 2025, enter amount from your 2023 Schedule ND-1FA, line 3.

   Otherwise, enter amount from 2023 Form ND-1, line 18 **OR** from 2023 Form ND-EZ, line 1b. .... 5 ______ *If line 5 is zero or less, see instructions.*
6. Divide the amount on **line 2** by **3.0** .... 6 ______
7. Add lines 5 and 6. *If less than zero, enter zero.* .... 7 ______
8. Figure the tax on the amount on line 7 using the 2023 Form ND-1/ND-EZ Tax Rate Schedules on page 2 of the instructions to this schedule. .... ► 8 ______
9. If you used Schedule ND-1FA to figure your tax for:
   - 2025, enter the amount from your 2025 Schedule ND-1FA, line 15.
   - 2024 but not 2025, enter amount from your 2024 Schedule ND-1FA, line 3.

   Otherwise, enter amount from 2024 Form ND-1, line 18 **OR** from 2024 Form ND-EZ, line 1b. .... 9 ______ *If line 9 is zero or less, see instructions.*
10. Enter amount from line 6 .... 10 ______
11. Add lines 9 and 10. *If less than zero, enter negative number.* .... 11 ______
12. Figure the tax on the amount on line 11 using the 2024 Form ND-1/ND-EZ Tax Rate Schedules on page 2 of the instructions to this schedule. .... ► 12 ______
13. If you used Schedule ND-1FA to calculate your tax for 2025, enter the amount from your 2025 Schedule ND-1FA, line 3. Otherwise, enter amount from 2025 Form ND-1, line 18, **OR** from 2025 Form ND-EZ, line 1b .... ► 13 ______ *If line 13 is zero or less, see instructions.*
14. Enter amount from line 6. .... 14 ______
15. Add lines 13 and 14. If less than zero, enter negative number. .... 15 ______
16. Figure the tax on the amount on line 15 using the 2025 Form ND-1/Form ND-EZ Tax Rate Schedules on page 2 of the instructions to this schedule. .... ► 16 ______
17. Add lines 4, 8, 12, and 16. Enter this amount on page 2, line 18 of this schedule. .... 17 ______

18. Enter the amount from page 1, line 17. .... **18** ______

19. If you used Schedule ND-1FA to figure your tax for:

- 2025, enter the amount from your 2025 Schedule ND-1FA, line 12.
- 2024 but not 2025, enter amount from your 2024 Schedule ND-1FA, line 16.
- 2023 but not 2024 nor 2025, enter amount from your 2023 Schedule ND-1FA, line 4.

Otherwise, enter amount from 2023 Form ND-1, line 20 (if full-year resident) or Schedule ND-1NR, line 22 (if full-year nonresident or part-year resident) **OR** from 2023 Form ND-EZ, line 2. .... **19** ______

20. If you used Schedule ND-1FA to figure your tax for:

- 2025, enter the amount from your 2025 Schedule ND-1FA, line 16.
- 2024 but not 2025, enter amount from your 2024 Schedule ND-1FA, line 4.

Otherwise, enter amount from 2024 Form ND-1, line 20 (if full-year resident) or Schedule ND-1NR, line 22 (if full-year nonresident or part-year resident) **OR** from 2024 Form ND-EZ, line 2. .... **20** ______

21. If you used Schedule ND-1FA to figure your tax for 2025, enter amount from 2025 Schedule ND-1FA, line 4. Otherwise, enter amount from 2025 Form ND-1, line 20 (if full-year resident) or Schedule ND-1NR, line 22 (if full-year nonresident or part-year resident) **OR** from 2025 Form ND-EZ, line 2. .... ► **21** ______

22. Add lines 19, 20, and 21. .... **22** ______

23. Subtract line 22 from line 18. Enter result on your return as follows::

- If you (and your spouse, if filing jointly) were full-year residents, enter the amount from this line on your 2026 Form ND-1, line 20.
- If you are required to use Schedule ND-1NR, enter the amount from this line on your 2026 Schedule ND-1NR, line 22.

.... **(F1) 23** ______

► **Caution:** If you.(and your spouse, if filing jointly) are full-year residents, the tax on line 23 above may be higher than the tax calculated without the use of this schedule.

If you are required to use Schedule ND-1NR, the tax on line 23 above is not your actual tax liability. You must enter the tax from line 23 of this schedule on your 2026 Schedule ND-1NR, line 22, and complete the remainder of Schedule ND-1NR to calculate your actual tax liability. Please note that the tax calculated based on the use of Schedule ND-1FA may be higher than the tax calculated without it.

► **Attach this schedule to your Form ND-1 only if you are choosing to pay the tax based on its use.**

General instructions

Eligibility

You are eligible to use the 2026 Schedule ND-1FA to calculate your tax for 2026 if you used Schedule J (Form 1040) to calculate your 2026 federal income tax.

The use of Schedule ND-1FA is elective. You do not have to use it even though you used Schedule J (Form 1040) to calculate your federal income tax for 2026.

IMPORTANT: It is possible for the tax calculated using Schedule ND-1FA to be higher than the tax calculated on all of your income using the regular method (without Schedule ND-1FA). Complete and attach Schedule ND-1FA to your Form ND-1 **only if** you are electing to pay the tax that results from using Schedule ND-1FA.

Copies of base period returns

You will need copies of your 2023, 2024, and 2025 North Dakota income tax returns to complete the 2026 Schedule ND-1FA. If you do not have a copy of any of these returns, see the back cover of the 2026 Form ND-1 instruction booklet for information on how to obtain one.

If you filed an amended North Dakota income tax return, or if the Office of State Tax Commissioner made changes to your North Dakota income tax return for 2023, 2024, or 2025, you must use the corrected amounts when completing Schedule ND-1FA.

Specific line instructions

Line 2

Enter your elected farm income from the 2026 Schedule J (Form 1040), line 2a. However, if you claimed an exclusion on line 6 of your 2026 Form ND-1 attributable to a net long-term capital gain included in your federal elected farm income, subtract that portion of the exclusion from your federal elected farm income and enter the result on this line.

Lines 5, 9, and 13

For purposes of completing lines 5, 9, and 13 of the 2026 Schedule ND-1FA, your North Dakota taxable income may be a negative number. If your North Dakota taxable income for a base year is mathematically less than zero, use the negative number for purposes of completing these lines.

No filing requirement for base year. If you were not required to file a North Dakota income tax return for one or more of the base years, you must complete the applicable North Dakota return for each base year for which a return was not filed. Complete the return through the line on which the tax is calculated. Use the figures from the return completed for the base year to complete the applicable lines of the 2026 Schedule ND-1FA.

2023 Form ND-1/ND-EZ Tax Rate Schedules

If you used Form ND-1 or Form ND-EZ for the 2023 tax year, use these tax rate schedules to calculate the tax to enter on line 8. Use the schedule that corresponds to your filing status for the 2023 tax year.

Single

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 44,725	0.00% of the revised taxable income		
44,725	225,975	$ 0.00	+ 1.95% of amount over	$ 44,725
225,975		3,534.38	+ 2.50% of amount over	225,975

Married Filing Jointly and Qualifying Surviving Spouse

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 74,750	0.00% of the revised taxable income		
74,750	275,100	$ 0.00	+ 1.95% of amount over	$ 74,750
275,100		3,906.93	+ 2.50% of amount over	275,100

Married Filing Separately

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 37,375	0.00% of the revised taxable income		
37,375	137,550	$ 0.00	+ 1.95% of amount over	$ 37,375
137,550		1,953.41	+ 2.50% of amount over	137,550

Head of Household

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 59,950	0.00% of the revised taxable income		
59,950	250,550	$ 0.00	+ 1.95% of amount over	$ 59,950
250,550		3,716.70	+ 2.50% of amount over	250,550

2024 Form ND-1/ND-EZ Tax Rate Schedules

If you used Form ND-1 or Form ND-EZ for the 2024 tax year, use these tax rate schedules to calculate the tax to enter on line 12. Use the schedule that corresponds to your filing status for the 2024 tax year.

Single

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 47,150	0.00% of the revised taxable income		
47,150	238,200	$ 0.00	+ 1.95% of amount over	$ 47,150
238,200		3,725.48	+ 2.50% of amount over	238,200

Married Filing Jointly and Qualifying Surviving Spouse

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 78,775	0.00% of the revised taxable income		
78,775	289,975	$ 0.00	+ 1.95% of amount over	$ 78,775
289,975		4,118.40	+ 2.50% of amount over	289,975

Married Filing Separately

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 39,375	0.00% of the revised taxable income		
39,375	144,975	$ 0.00	+ 1.95% of amount over	$ 39,375
144,975		2,059.20	+ 2.50% of amount over	144,975

Head of Household

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 63,175	0.00% of the revised taxable income		
63,175	264,100	$ 0.00	+ 1.95% of amount over	$ 63,175
264,100		3,918.04	+ 2.50% of amount over	264,100

2025 Form ND-1/ND-EZ Tax Rate Schedules

If you used Form ND-1 or Form ND-EZ for the 2025 tax year, use these tax rate schedules to calculate the tax to enter on line 16. Use the schedule that corresponds to your filing status for the 2025 tax year.

Single

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 48,475	0.00% of the revised taxable income		
48,475	244,825	$ 0.00	+ 1.95% of amount over	$ 48,475
244,825		3,828.83	+ 2.50% of amount over	244,825

Married Filing Jointly and Qualifying Surviving Spouse

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 80,975	0.00% of the revised taxable income		
80,975	298,075	$ 0.00	+ 1.95% of amount over	$ 80,975
298,075		4,233.45	+ 2.50% of amount over	298,075

Married Filing Separately

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 40,475	0.00% of the revised taxable income		
40,475	149,025	$ 0.00	+ 1.95% of amount over	$ 40,475
149,025		2,116.73	+ 2.50% of amount over	149,025

Head of Household

If revised taxable income for tax year is:

Over	But Not Over	The revised tax is equal to:		
$ 0	$ 64,950	0.00% of the revised taxable income		
64,950	271,450	$ 0.00	+ 1.95% of amount over	$ 64,950
271,450		4,026.75	+ 2.50% of amount over	271,450