



ADOPTION CREDIT
OFFICE OF STATE TAX COMMISSIONER
SFN 28743 (12-2026)

Schedule ND-1AC
2026
Attach to Form ND-1

Taxpayer's Name As Shown On Return	Social Security Number
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► **Federal Form 8839 must be attached to your state return.**

1. Federal Adoption Credit allowed this tax year.
 - a. Refundable adoption credit. Federal Form 8839, line 13 **1a** _____
 - b. Nonrefundable adoption credit. Federal Form 8839, line 18 **1b** _____
 - c. Add lines 1a and 1b **1c** _____
2. Multiply line 1c by 10% (.10) **2** _____
3. Unused credit carryover, if any, from prior tax year(s) **3** _____
4. Total available credit. Add lines 2 and 3 **4** _____
5. Enter tax amount from Form ND-1, line 20 **5** _____
6. Multiply line 5 by 50% (.50) **6** _____
7. Amount used to reduce tax in 2026. Enter smaller of line 4 or line 6.
See instructions. Enter this amount on Schedule ND-1TC, line 23 **7** _____
8. Unused credit carryover to 2027 tax year. Subtract line 7 from line 4 **8** _____

General Instructions

A North Dakota income tax credit is allowable based on the federal income tax credit attributable to qualified adoption expenses incurred under Internal Revenue Code 26 Ch. 23. Qualified federal adoption expenses and the federal tax credit are reported on federal Form 8839.

The North Dakota credit is 10% of the federal adoption credit allowed against federal income tax for the tax year. The credit is limited to 50% of the individual's North Dakota income tax liability (before tax credits).

The unused portion of state credit may be carried over and used on subsequent tax years' returns for up to three years.

Specific Line Instructions

Line 3

Enter the amount of unused North Dakota credit carryover, if any, from tax year 2025.

Line 7

Enter on this line only that portion of the total available credit from line 4 or line 6 that is used to reduce the tax on the 2026 return. For example, if the available credit on line 4 or 6 is \$1,000, but only \$400 is needed to reduce the tax to zero, enter \$400 on line 7.

Line 8

Enter the portion of unused North Dakota adoption credit, if any, that is being carried over to the 2027 tax year.