

REFERRED To: WTM  
(HOUSE)  
11/12/2025  
MEMO

TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH

LEGISLATURE

IN THE HOUSE OF REPRESENTATIVES

November 6, 2025

Second Regular Session, 2025

H. B. 24- 73

A BILL FOR AN ACT

To provide a nonrefundable tax credit to taxpayers who make donations of cash or food supplies to qualified community-based service organizations.

**BE IT ENACTED BY THE 24<sup>TH</sup> NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

1           **Section 1. Findings and Purpose.** The Legislature finds that business  
2 closures and job disruptions caused by COVID-19 have created an urgent need for  
3 the services of food pantries, homeless shelters, and soup kitchens in the CNMI.  
4 Given the current economic crisis and high rate of unemployment, there is no other  
5 governmental policy that deserves a higher priority.

6           Toward this end, this Act encourages taxpayers to make charitable  
7 donations to local organizations that provide community-based services, such as  
8 food distribution, shelter, and prepared meals, to low-income individuals, people  
9 without housing, and other vulnerable populations within the CNMI. Further, the  
10 Legislature finds that by establishing a nonrefundable tax credit for donations of  
11 cash and food supplies to qualified community-based service organizations, this  
12 Act incentivizes contributions that directly address food insecurity and

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1 homelessness. Additionally, in support of responsible government fiscal policy, the  
2 nonrefundable tax credit established herein is capped, taxpayers are prevented from  
3 receiving double benefits by claiming both deductions under the Northern Marianas  
4 Territorial Income Tax and the tax credit established by this Act, and  
5 documentation requirements must be met in order to claim the credit.

6 Thus, based on the foregoing, this Act provides a nonrefundable tax credit  
7 to taxpayers who make donations of cash or food supplies to qualified community-  
8 based service organizations.

9 **Section 2. Amendment.** Title 4, Division 1, Chapter 2, of the  
10 Commonwealth Code is hereby amended by adding a new Section 1208 to read as  
11 follows:

12 **“§ 1208. Food Pantry Nonrefundable Tax Credit.**

13 (a) Any taxpayer that makes a donation of cash or food supplies to  
14 a Qualified Community-Based Service Organization, such as a  
15 local food pantry, homeless shelter, or soup kitchen, may receive  
16 a nonrefundable tax credit against the tax imposed by 4 CMC  
17 §§ 1201–02 to the extent provided by this Section. No such  
18 credit shall be allowed for any amount deducted in determining  
19 taxable income under the NMTIT as shown on the taxpayer’s  
20 return. The “tax imposed on wages and salaries or earnings” for  
21 purposes of computing the credit under 4 CMC § 1206 is the tax

1 net of any credit taken pursuant to this Section. Any tax credit  
 2 not used shall not be applied to future tax years.

3 (b) The maximum credit available in any one year under this Section  
 4 and 4 CMC § 1312 combined shall be the lesser of the sum of  
 5 the taxes imposed under 4 CMC §§ 1201-02 and 4 CMC  
 6 §§ 1301-04, or two thousand five hundred dollars (\$2,500).

7 (c) A “Qualified Community-Based Service Organization” under  
 8 this Section means an organization located in the CNMI that has  
 9 been issued a Letter of Determination granting tax-exempt status  
 10 under Section 501(c)(3) of the IRC by the Division of Revenue  
 11 and Taxation prior to the date of the donation for which the tax  
 12 credit is taken. The organization must also, in the area the  
 13 taxpayer claiming the tax credit resides, engage in one of the  
 14 following:

- 15 (1) The distribution of food supplies to low-income people;
- 16 (2) The provision of temporary living arrangements for  
 17 individuals and families who lack fixed, regular, and  
 18 adequate nighttime residence, or who are otherwise unable  
 19 to obtain permanent housing; or
- 20 (3) The provision of prepared meals through an established  
 21 congregate feeding operation to needy, low-income

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1 persons, including, but not limited to, people without  
2 housing.

3 (d) "Food supplies" means consumable goods that are fit for human  
4 consumption, excluding any goods that have passed their  
5 expiration or sell-by date, are damaged or otherwise unsafe for  
6 consumption, or that are not in their original sealed packaging.  
7 Acceptable food supplies include perishable and non-perishable  
8 items such as canned goods, fresh produce, dairy products, and  
9 packaged or frozen foods.

10 (e) To obtain the credit, the taxpayer must furnish the following to  
11 the Division of Revenue and Taxation:

12 (1) A properly documented receipt issued by the recipient  
13 Qualified Community-Based Service Organization that  
14 must include, at a minimum, the name and tax identification  
15 number of the organization, the taxpayer's name and tax  
16 identification number, the date of donation and the amount  
17 donated or, for donations of food supplies, a reasonable fair  
18 market value assessment of the food supplies, and the  
19 purpose of the donation; and

20 (2) A copy of the Letter of Determination with respect to the  
21 tax-exempt status of the recipient Qualified Community-  
22 Based Service Organization."

1        **Section 3. Amendment.** Title 4, Division 1, Chapter 3, of the Commonwealth

2 Code is hereby amended by adding a new Section 1313 to read as follows:

3                    **“§ 1313. Food Pantry Nonrefundable Tax Credit.**

4                    (a) Any taxpayer that makes a donation of cash or food supplies to  
 5                                a Qualified Community-Based Service Organization, such as a  
 6                                local food pantry, homeless shelter, or soup kitchen, may receive  
 7                                a nonrefundable credit against the tax imposed by 4 CMC  
 8                                §§ 1301–04 to the extent provided by this Section. No such  
 9                                credit shall be allowed for any amount deducted in determining  
 10                               taxable income under the NMTIT as shown on the taxpayer’s  
 11                               return. For the purpose of computing the nonrefundable tax  
 12                               credit under 4 CMC § 1308, the “tax imposed” is the tax net of  
 13                               any credit taken pursuant to this Section. Any tax credit not used  
 14                               shall not be applied to future tax years.

15                    (b) The maximum credit available in any one year under this Section  
 16                               and 4 CMC § 1208 combined shall be the lesser of the sum of  
 17                               the taxes imposed under 4 CMC §§ 1201–02 and 4 CMC  
 18                               §§ 1301–04, or two thousand five hundred dollars (\$2,500).

19                    (c) The term “Qualified Community-Based Service Organization”  
 20                               as used in this Section shall have same meaning as in 4 CMC  
 21                               § 1208(c).

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1 (d) The term “food supplies” as used in this Section shall have the  
2 same meaning as in 4 CMC § 1208(d).

3 (e) To obtain the credit, the taxpayer must furnish to the Division of  
4 Revenue and Taxation the information prescribed in 4 CMC  
5 § 1208(e).”

6 **Section 4. Severability.** If any provisions of this Act or the application of  
7 any such provision to any person or circumstance should be held invalid by a court  
8 of competent jurisdiction, the remainder of this Act or the application of its  
9 provisions to persons or circumstances other than those to which it is held invalid  
10 shall not be affected thereby.

11 **Section 5. Savings Clause.** This Act and any repealer contained herein  
12 shall not be construed as affecting any existing right acquired under contract or  
13 acquired under statutes repealed or under any rule, regulation, or order adopted  
14 under the statutes. Repealers contained in this Act shall not affect any proceeding  
15 instituted under or pursuant to prior law. The enactment of the Act shall not have  
16 the effect of terminating, or in any way modifying, any liability, civil or criminal,  
17 which shall already be in existence on the date this Act becomes effective.

18 **Section 6. Effective Date.** This Act shall take effect upon its approval by  
19 the Governor, or it becoming law without such approval.

Prefiled: 11/6/2018

Date: \_\_\_\_\_

Introduced by: \_\_\_\_\_

M. A. Omar  
Rep. Malcolm J. Omar

*Introduction Purposes Only*  
Reviewed for Legal Sufficiency by:

Joseph J. Daji  
House Legal Counsel

D. J. Jangstman

Date: \_\_\_\_\_




HOUSE OF REPRESENTATIVES  
TWENTY-FOURTH NORTHERN MARIANAS COMMONWEALTH  
LEGISLATURE

EDMUND S. VILLAGOMEZ  
SPEAKER

Honorable Jesus P. Mafnas Memorial Building  
Capitol Hill  
Saipan, MP 96950  
cnmileg.net

MEMORANDUM

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DATE : November 12, 2025  
TO : CHAIRMAN JOHN PAUL P. SABLAN, WM COMMITTEE  
FROM : SPEAKER EDMUND S. VILLAGOMEZ   
SUBJECT : Referral of Legislation

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In accordance with Rule IX, Section 8, I hereby refer the following measure for the Ways and Means Committee's review:

**H. B. No. 24-73:** To provide a nonrefundable tax credit to taxpayers who make donations of cash or food supplies to qualified community-based service organizations.

*Introduced by Rep. Malcolm J. Omar of Saipan, Precinct 4 (for himself, and Representative Denita K. Yangetmai) on November 6, 2025.*

The Committee has 60 days to submit a written report on the legislation; therefore, I urge the Committee to review promptly the aforementioned legislation.

cc: Senate President  
House Members  
LB Director  
House Clerk

Rep. JPSablan  
RECEIVED  
R 11/12/25 APO