

MEASURE APPROVED OVER GOVERNOR'S VETO

CHAPTER 734

NATURAL GAS SALES TAX RATE

VETO

April 10, 1991

The Honorable Ronald Anderson
Speaker of the House
House Chamber
State Capitol
Bismarck, North Dakota 58505

Dear Mr. Speaker:

House Bill 1325 reduces the rate of sales tax on natural gas from five percent to two percent of gross receipts by December of 1994.

The fiscal impact is an estimated loss of \$400,000 this biennium, increasing to at least \$5 million per biennium in the years coming up. Even though I personally have tried in 1983 to correct this, it must be done with replacement revenue or we will be short of revenue for coming years.

Therefore, given the revenue constraints with which we are operating, we simply cannot remove any revenue source without replacement.

Therefore, I veto House Bill 1325.

Sincerely,

GEORGE A. SINNER
Governor

NOTE: The Governor's veto of House Bill No. 1325 was not sustained. For the text of House Bill No. 1325 as approved see chapter 676.