

Fifty-fifth  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2306**

Introduced by

Senators Naaden, Freborg

1 A BILL for an Act to allow school districts to impose income taxes with voter approval for  
2 payment of principal and interest on bonds.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. School district income taxes - Contracts for collection.** A school  
5 district may impose income taxes within the school district for payment of principal and interest  
6 on specified bonds of the district if imposition of the taxes is approved by the qualified electors  
7 of the district voting on the question at any regular or special school district election. Net  
8 revenue from the taxes must be used to retire specified bonded indebtedness and the  
9 percentage of qualified electors voting to approve imposition of taxes under this section must  
10 equal or exceed the percentage required by law to approve issuance of the bonds. A tax  
11 imposed under this section may not be imposed after the taxable year in which the bonds for  
12 which the tax under this section was approved are retired. Any revenue from taxes imposed  
13 under this section remaining after retirement of the bonds for which the taxes were authorized  
14 may be transferred to the general fund of the school district.

15 The governing body of the school district and the tax commissioner may enter a contract  
16 for collection of taxes imposed under this section. The contract must provide for transfer of  
17 revenues to the school district and an agreed amount to be allowed the tax commissioner for  
18 collection services. Any amount allowed the tax commissioner must be transferred to the state  
19 treasurer for deposit in the state general fund.