

Fifty-seventh  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2367**

Introduced by

Senators Epegard, Heitkamp, C. Nelson, Thane

Representatives Cleary, Solberg

1 A BILL for an Act to amend and reenact section 57-36-32 of the North Dakota Century Code,  
2 relating to the rate of tax on the sale of cigarettes; to provide an appropriation for school nursing  
3 project grants; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-36-32 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **57-36-32. Separate and additional tax on the sale of cigarettes - Collection -**  
8 **Allocation of revenue - Tax avoidance prohibited.** There is hereby levied and assessed and  
9 there shall be collected by the state tax commissioner and paid to the state treasurer, upon all  
10 cigarettes sold in this state, an additional tax, separate and apart from all other taxes, of  
11 ~~seventeen~~ eighteen mills on each cigarette, to be collected as existing taxes on cigarettes sold  
12 are, or hereafter may be, collected, by use of appropriate stamps and under similar accounting  
13 procedures. No person, firm, corporation, or limited liability company shall transport or bring or  
14 cause to be shipped into the state of North Dakota any cigarettes as provided herein, other than  
15 for delivery to wholesalers in this state, without first paying the tax thereon to the state tax  
16 commissioner. All of the moneys collected by the state treasurer under this section ~~shall~~ must  
17 be credited to the state general fund, except the net revenue from one mill per cigarette of the  
18 tax imposed under this section must be deposited in the school nursing grant fund.

19 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the  
20 school nursing grant fund in the state treasury, not otherwise appropriated, the sum of  
21 \$1,700,000, or so much of the sum as may be necessary, to the state department of health for  
22 the purpose of providing matching grants to school districts to fund school nursing projects, for  
23 the biennium beginning July 1, 2001, and ending June 30, 2003. A school district seeking a  
24 school nursing project grant under the appropriation authority of this section must provide

1 matching funds equal to the amount of the grant. Matching funds under this section may come  
2 from any source available to the school district, including funding from other political  
3 subdivisions.

4 **SECTION 3. EFFECTIVE DATE.** Section 1 of this Act is effective for taxable events  
5 occurring after June 30, 2001.