

Introduced by

Legislative Council

(Finance and Taxation Committee)

1 A BILL for an Act to create and enact a new section to chapter 11-09.1 and a new section to
2 chapter 40-05.1 of the North Dakota Century Code, relating to limits on transfers of home rule
3 county and city sales tax revenue to school districts; and to declare an emergency.

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

5 **SECTION 1.** A new section to chapter 11-09.1 of the North Dakota Century Code is
6 created and enacted as follows:

7 **Sales tax revenue transfer to school districts prohibited.** Notwithstanding the
8 provisions of chapters 54-40 and 54-40.3 or any other provision of law, revenue from sales,
9 use, or other excise taxes levied under this chapter may not be transferred to or for the primary
10 benefit of a school district except for payment of bonded indebtedness incurred before the
11 effective date of this Act or for capital construction and associated costs approved by the
12 electors of the county before the effective date of this Act.

13 **SECTION 2.** A new section to chapter 40-05.1 of the North Dakota Century Code is
14 created and enacted as follows:

15 **Sales tax revenue transfer to school districts prohibited.** Notwithstanding the
16 provisions of chapters 54-40 and 54-40.3 or any other provision of law, revenue from sales,
17 use, or other excise taxes levied under this chapter may not be transferred to or for the primary
18 benefit of a school district except for payment of bonded indebtedness incurred before the
19 effective date of this Act or for capital construction and associated costs approved by the
20 electors of the city before the effective date of this Act.

21 **SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure.