

Sixty-second  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1347**

Introduced by

Representatives Wall, Froseth, Hunskor, Williams

Senators Freborg, Luick

1 A BILL for an Act to provide for imposition and collection of a severance tax on gravel, rock,  
2 sand, and other materials used or usable for road construction and maintenance; to provide a  
3 continuing appropriation; and to provide an effective date.

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

5 **SECTION 1.**

6 **Severance tax on road construction and maintenance materials - Continuing**  
7 **appropriation.**

8 There is imposed upon all road construction and maintenance materials severed in this  
9 state at a rate of ten cents per ton.

- 10 1. For purposes of this section, "road construction and maintenance materials" means  
11 gravel, clay, sand, rock, scoria, and other materials used or usable for road  
12 construction and maintenance purposes. "Road construction and maintenance  
13 materials" does not include materials moved incidental to mining or reclamation  
14 operations or materials excavated or moved for construction or landscaping purposes  
15 not associated with road construction or maintenance.
- 16 2. Each person who severs road construction materials within a county during a month  
17 shall remit the tax under this section by the twenty-fifth day of the next month to the  
18 county treasurer with a tax reporting form prescribed by the tax commissioner. The  
19 county shall enforce the provisions of this section relating to reporting and payment of  
20 taxes.
- 21 3. Within thirty days after receipt of taxes paid under this section, the county treasurer  
22 shall allocate seventy percent of the tax collections to the township in which the road  
23 construction materials were severed, deposit ten percent in the county road fund, and  
24 transfer the remaining amount to the state treasurer. The state treasurer shall deposit

1           one-half of the amount received under this section in the township highway aid fund  
2           for distribution as provided in section 54-27-19.1 and deposit one-half in the state  
3           highway fund. The funds for distribution or allocation as provided in this section are  
4           provided as a continuing appropriation.

5           4. When the tax imposed by this section becomes delinquent, there is imposed a penalty  
6           of five dollars or a sum equal to five percent of the tax due, whichever is greater, with  
7           interest at a rate of one percent per month on the tax due for each calendar month or  
8           fraction of a calendar month during which the delinquency continues. In addition, the  
9           provisions of this title relating to delinquent property taxes apply to delinquent taxes  
10           under this section.

11           **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
12           June 30, 2011.