

Introduced by

Senators Miller, Larsen

Representatives Nathe, Bellew, Heller, Kingsbury

1 A BILL for an Act to create and enact a new section to chapter 57-39.6 of the North Dakota  
2 Century Code, relating to a ~~deduction from~~reimbursement of alcoholic beverage gross receipts  
3 taxes for operation of a smoke-free bar; and to provide an effective date.

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

5 **SECTION 1.** A new section to chapter 57-39.6 of the North Dakota Century Code is created  
6 and enacted as follows:

7 ~~Deduction to reimburse~~Reimbursement to retailer for voluntarily maintaining a  
8 smoke-free bar.

9 A retailer who operates a smoke-free bar ~~may deduct and retain revenue from~~ is entitled to  
10 reimbursement of taxes paid equal to two and one-tenth percentage points of the taxes  
11 imposed under section 57-39.6-02 upon sales of alcoholic beverages for consumption by  
12 guests on the premises. ~~The deduction under this section does not apply to retailers in whose~~  
13 ~~bar smoking is prohibited by law.~~ To obtain reimbursement of the taxes paid, the retailer shall  
14 certify to the tax commissioner that the retailer meets the requirements of this section and the  
15 date the bar operated by the retailer became smoke-free. A retailer is entitled to reimbursement  
16 of the taxes paid during the calendar year from the date the retailer became certified as  
17 smoke-free and for each succeeding calendar year unless the retailer no longer maintains its  
18 status as a smoke-free bar. On or before January 31, 2012, and each succeeding January  
19 thirty-first, the tax commissioner shall issue a refund to the certified retailer of the allowed  
20 reimbursement amount. For purposes of this section, "bar" has the meaning provided in section  
21 23-12-09.

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