Sixty-fourth Legislative Assembly of North Dakota In Regular Session Commencing Tuesday, January 6, 2015

HOUSE BILL NO. 1130 (Representative Keiser) (Senator Poolman)

AN ACT to create and enact a new subsection to section 57-40.3-04 of the North Dakota Century Code, relating to a motor vehicle excise tax exemption for donations of motor vehicles to a nonprofit organization that donates motor vehicles to individuals with demonstrated need of a motor vehicle to enable them to become self-sufficient members of the workforce; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 57-40.3-04 of the North Dakota Century Code is created and enacted as follows:

A motor vehicle donated to a qualified nonprofit organization that is exempt from federal taxation under Internal Revenue Code section 501(c)(3) [26 U.S.C. 501(c)(3)] if that organization is organized or incorporated in this state, has its certificate of incorporation or certificate of authority in good standing with the secretary of state, and has an established program with the primary purpose of receiving donations of motor vehicles that it then donates to individuals with demonstrated need of a motor vehicle necessary to the individual's effort to become a self-sufficient member of the workforce.

- a. An exemption under this subsection is rescinded if the organization has not transferred title to a donated motor vehicle and donated that motor vehicle to an individual with demonstrated need of a motor vehicle necessary to the individual's effort to become a self-sufficient member of the workforce within ninety days after taking possession or ownership of the motor vehicle, in which case the organization shall pay the tax based on the retail value of the motor vehicle, as determined by the national automobile dealers association official used car guide, at the time it took possession or ownership.
- b. An exemption under this subsection is rescinded if the organization sells a donated motor vehicle for more than five hundred dollars after taking possession or ownership of the motor vehicle, in which case the organization shall pay the tax based on the retail value of the motor vehicle, as determined by the national automobile dealers association official used car guide, at the time it took possession or ownership.
- c. The commissioner shall issue a certificate of exemption to a qualified nonprofit organization exempted by this subsection. The qualified nonprofit organization shall present the certificate of exemption to the registrar whenever the exemption under this subsection is claimed.

SECTION 2. EFFECTIVE DATE. This Act is effective for taxable events occurring after June 30, 2015.

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	Speaker of the House			President of the Senate	
	Chief C	lerk of the House		Secretary of the Senate	
				entatives of the Sixty-f dy as House Bill No. 1	
House Vote:	Yeas 82	Nays 0	Absent 12		
Senate Vote:	Yeas 45	Nays 0	Absent 2		
				Chief Clerk of the Ho	ouse
Received by the Governor atM. on					, 2015.
Approved at	M. on _				, 2015.
				Governor	
Filed in this office thisday of					, 2015,
at o'	clock	<u>M</u> .			
				Secretary of State	