

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1437

Page 1, line 1, replace "section" with "sections 11-09.1-05.2 and"

Page 1, line 2, after "city" insert "or county"

Page 1, line 3, replace "section" with "sections 11-09.1-05.1 and"

Page 1, line 4, after "city" insert "or county"

Page 1, after line 5, insert:

**"SECTION 1.** Section 11-09.1-05.2 of the North Dakota Century Code is created and enacted as follows:

**11-09.1-05.2. Sales tax revenue transfer to school districts for bonded indebtedness.**

1. Upon presentation to the board of county commissioners of a resolution adopted by the school board of a school district within the county, the board of county commissioners may place on the ballot at a primary or general election the question of approval of imposition of an additional county sales, use, farm machinery gross receipts, and alcoholic beverage gross receipts tax. The rate of tax imposed for each school district may not exceed one percent for principal and interest payments on school district bonds for school building projects. The board of county commissioners shall place on the ballot the sum of the tax rates proposed for each school district that presented an adopted resolution to the board of county commissioners.
2. Upon approval by sixty percent or more of the qualified electors of the county voting on the question, the board of county commissioners shall impose a county sales tax at the rate approved by the electors on taxable transactions occurring outside of the boundaries of a city within that county if the city has imposed a sales tax for school districts, or subsequently enacts and imposes a sales tax for school districts under section 40-05.1-06.2. Proceeds from the tax imposed must be deposited in a special fund of the county and transferred quarterly to each school district that presented an adopted resolution to the board of county commissioners under subsection 1, in proportion to the tax imposed for each school district, for principal and interest payments on bonds issued for purposes of this section. Any funds in the county special fund at the end of a fiscal year which are unused and unobligated for principal and interest payments on bonds issued for purposes of this section may be transferred to the county general fund. Any tax imposed under this section remains effective until bonds issued under the funding authority of this section have been retired. Any shortfall in funding after application of revenue from the tax imposed for principal and interest payments on bonds issued for purposes of this section is the responsibility of the school district and not the county."

Page 1, line 11, replace "shall" with "may"

Page 2, replace line 5 with:

**"SECTION 3. REPEAL.** Sections 11-09.1-05.1 and 40-05.1-06.1 of the North Dakota Century Code are repealed."

Renumber accordingly