



## **Testimony— Senate Finance and Taxation Committee Engrossed House Bill 1099**

February 16, 2021

Prepared by Shannon Fleischer, Associate Director of Tax Administration; and  
Kim Vietmeier, State Supervisor of Assessments  
North Dakota Office of State Tax Commissioner  
Phone: 328-3431; 328-3127  
e-mail: [sfleischer@nd.gov](mailto:sfleischer@nd.gov); [kmvietmeier@nd.gov](mailto:kmvietmeier@nd.gov)

Chair Bell, and members of the Senate Finance & Taxation Committee:

My name is Shannon Fleischer. I am here on behalf of the Office of State Tax Commissioner in support of Engrossed HB 1099, the Tax Department's housekeeping bill. I was asked to provide an explanation to the Committee of the provisions of Engrossed House Bill 1099. State Supervisor of Assessments, Kim Vietmeier, is available if there are any questions specific to Section 2 of the Bill.

### **Section 1 of bill**

Page 1, lines 7-13: This amendment would allow the Tax Commissioner, for good cause shown, to waive any penalty imposed against a supplier of alcoholic beverages for failure to file reports with the Tax Commissioner required under N.D.C.C. § 5-03-09. A supplier is a manufacturer, importer, marketer, or wholesaler of alcoholic beverages. Similar language allowing for waivers of penalty for good cause exists in the other tax types administered by the Tax Commissioner. The reason for this change is that there are instances where the delay in filing the report is beyond the control of the alcoholic beverage supplier. This language will give the Tax Commissioner the ability to acknowledge those instances if the taxpayer has good cause for failing to meet a deadline.

## **Section 2 of bill**

Page 1, lines 14-24 and Page 2, lines 1-6: The 2017 Legislative Assembly, in House Bill 1356, which related to statements of full consideration recorded by county recorders, repealed the same language in N.D.C.C. § 11-18-02.2, and, due to an oversight, the language in N.D.C.C. § 57-01-06, the “sales ratio” statute, was not amended at that time. This technical amendment would make these statutes consistent so that both the Tax Department and counties are using the same information when preparing and using the sales ratio study.

## **Section 3 of bill**

Page 2, lines 7-20: Under N.D.C.C. § 57-39.2-23, the information contained in county lodging tax and county lodging and restaurant tax returns and reports is confidential. This amendment makes that information available to no more than two members of a county governing body in the same manner as presently exists for city lodging tax and city lodging and restaurant tax information.

Chair Bell, members of the Committee, the Tax Commissioner respectfully requests favorable consideration of Engrossed House Bill 1099. We are available for any questions you may have. Thank you.

Page 2 of 2