

INITIATED MEASURES, DISAPPROVED

CHAPTER 506

EXEMPTION OF PERSONAL PROPERTY FROM ASSESSMENT AND TAXATION

An Act to amend and reenact section 57-02-04 of the North Dakota Century Code, relating to the definition of "real property", and section 57-02-08 of the North Dakota Century Code, relating to exemption of personal property from assessment and taxation.

Be It Enacted by the People of the State of North Dakota:

§ 1. **Amendment.)** To amend and reenact section 57-02-04 of the North Dakota Century Code to read as follows:

57-02-04. "Real Property" Defined.) Real property, for the purpose of taxation, includes the land itself, whether laid out in town lots or otherwise, and, except as otherwise provided, all buildings, structures and improvements except plowing and trees, and all rights and privileges thereto belonging or in any wise appertaining, and all mines, minerals, and quarries in and under the same and shall expressly include all improvements made by persons upon lands held by them under the laws of the United States, all such improvements on land the title to which still is vested in any railroad company and which is not used exclusively for railroad purposes, and the improvements of any other corporation whose property is not subject to the same mode and rule of taxation as other property.

§ 2. **Amendment.)** To amend and reenact section 57-02-08 of the North Dakota Century Code by creating and enacting a new subsection thereto to read as follows: All household goods, clothing and other personal belongings, all musical instruments including such instruments as radios, television sets, pianos, and organs, all tools, farm equipment, cattle, merchandise held for resale, and in addition thereto, all other personal property not required to be assessed by the state board of equalization shall become exempt from assessment and taxation in the year 1966 and such property shall not be assessed or taxed for that year or for any year thereafter; provided that this provision shall not apply to any property that is either subjected to a tax which is imposed in lieu of ad valorem taxes, or to any particular kind or class of personal property that is subjected to a tax imposed pursuant to any other provision of law.

Disapproved September 21, 1965.

83,191 to 51,836

Note: This was measure No. 2 on the special election ballot.

CHAPTER 507

THREE PERCENT SALES TAX

An Act to amend and reenact sections 57-39-02 and 57-39-06, North Dakota Century Code, as amended, by increasing the tax rate from two and one-fourth percent (2¼%) to three percent (3%); and extending the effective period thereof until July 1, 1967; and setting out a bracket system applying the 3% rate.

Be It Enacted by the People of the State of North Dakota:

§ 1. **Amendment.)** That section 57-39-02, North Dakota Century Code, be amended and reenacted as follows:

57-39-02. Tax Imposed.) Except as otherwise expressly provided in this chapter, there is hereby imposed, beginning with the 1st day of July, 1965, and ending the 1st day of July, 1967, a tax of three percent (3%) upon the gross receipts of retailers from all sales at retail including the leasing or renting of tangible personal property as hereinafter provided in this section, within the state of North Dakota of the following to consumers or users:

1. Tangible personal property, consisting of goods, wares, or merchandise;
2. The furnishing or service of steam, gas, electricity, water, or communication services;
3. Tickets or admissions to places of amusement or entertainment or athletic events, including amounts charged for participation in an amusement, entertainment or athletic activity, and including the playing of any machine for amusement or entertainment in response to the use of a coin;
4. Magazines and other periodicals, including subscriptions thereto;
5. The leasing or renting of hotel, motel, or tourist court accommodations for periods of less than thirty consecutive calendar days or one month;
6. Services furnished in repairing, altering, restoring, or cleaning any tangible personal property provided that this subsection shall not apply to retailers who furnish such services to agricultural producers with respect to agricultural products; and
7. The leasing or renting of tangible personal property the transfer of title to which has not been subjected to a retail sales tax under this chapter or a use tax under the provisions of chapter 57-40 or chapter 57-40.1;

§ 2. Amendment.) And that section 57-39-06 be amended and reenacted as follows:

57-39-06. Tax To Be Added to Purchase Price and Be a Debt.) Retailers shall add the tax imposed under this chapter, or the average equivalent thereof, to the sales price or charge and when added such taxes shall constitute a part of such price or charge, shall be a debt from the consumer or user to the retailer until paid, and shall be recoverable at law in the same manner as other debts.

In adding such tax to the price or charge, retailers shall adopt the following bracket system for the application of the tax:

\$0.01 to \$0.14—no tax

.15 to .33—1¢ tax

.34 to .67—2¢ tax

.68 to 1.00—3¢ tax

Each additional \$1.00—3¢ additional tax or each additional 33¢ or fraction thereof over \$1.00—1¢ additional tax.

Disapproved September 21, 1965.

83,610 to 51,081

Note: This was measure No. 3 on the special election ballot.