

Bill/Resolution No.: _____

Amendment to: SB 2309

Requested by: Legislative Council

Date of Receipt: 3/18/83

Please estimate the fiscal impact of the above measure for:

State general or special funds Counties Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

SB 2309, if enacted into law as amended, (amendments attached) would increase revenues to the Highway Distribution fund as estimated \$33,800,000 and increase revenues to the Township Highway fund approximately \$9,280,000 in the 1983-85 biennium.

State Fiscal Effect:


<u>1983-84</u>		<u>1984-85</u>		<u>Biennium Total</u>	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>
+\$4,160,000 (Tonwhip Hgwy. Fund)		+\$5,120,000 (Township Hgwy. Fund)		+\$9,280,000 (Township Hgwy. Fund)	
+\$15,300,000 (Highway Dist. Fund)		+\$18,500,000 (Highway Dist. Fund)		+\$33,800,000 (Highway Dist. Fund)	

County and City Fiscal Effect:

<u>1983-84</u>		<u>1984-85</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Date prepared: 3-21-83

Signed 

Typed Name C. William Cudworth

Department TAX AAB

*As amended in the same bill
as Engrossed HB 1539.*

*DPA 13
13 days
1 way
2 ab.*

adopted

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2309

On page 1 of the engrossed bill, line 1, after the words "A BILL" delete the remainder of the bill and insert in lieu thereof the following: "for an Act to amend and reenact section 57-52-04 of the North Dakota Century Code, or in the alternative to amend and reenact section 57-43.2-02 of the North Dakota Century Code as created by House Bill No. 1072, as approved by the forty-eighth legislative assembly; and to amend and reenact section 57-54-08 of the North Dakota Century Code, or in the alternative to amend and reenact section 57-43.1-02 of the North Dakota Century Code as created by House Bill No. 1073, as approved by the forty-eighth legislative assembly, relating to motor fuel taxes; and to provide for distribution of the increased revenue.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 57-43.1-02 of the North Dakota Century Code as created by section 1 of House Bill No. 1073, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

57-43.1-02. Tax imposed on motor vehicle fuels - Tax reduced for agriculturally derived alcohol-blended fuels. A

1. Except as otherwise provided in this section, a tax of ~~eight~~ thirteen cents per gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state ~~except the~~.
2. The tax imposed on gasoline sold which contains a minimum ten percent blend of an agricultural ethyl alcohol or methanol whose purity is at least ninety-nine percent alcohol is four cents per gallon [3.79 liters] less than the tax imposed under subsection 1.
3. The dealer shall collect the tax imposed by this section from the consumer on all sales.
4. Sales of fuel in the original package may be made to a licensed dealer, and the dealer may collect the

tax imposed by this chapter, but on sales in the original package to persons other than licensed dealers, the dealer is liable for the tax.

SECTION 2. AMENDMENT. Section 57-43.2-02 of the North Dakota Century Code as created by section 1 of House Bill No. 1072 as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

57-43.2-02. Tax imposed - Exemptions.

1. An excise tax of ~~eight~~ thirteen cents per gallon [3.79 liters] is imposed on the sale or delivery of special fuel to any special fuel user, except that special fuel to be used for heating, agricultural, or railroad purposes or for industrial purposes other than in the performance of a contract with any unit of government is exempt from the tax imposed by this chapter, provided that the sale or delivery of special fuel for use in a motor vehicle is not exempt.
2. The tax ~~imposed by this section~~ on agriculturally derived alcohol if used in a pure state or if blended with another agriculturally derived liquid is four cents per gallon [3.79 liters] less than the tax imposed under subsection 1.
3. The tax attaches at the time of sale, delivery, or transfer of title of such special fuel to a special fuel user. The special fuel dealer shall collect the tax from the special fuel user and pay the tax to the commissioner as provided in this chapter.
4. Except as prohibited by section 57-43.1-09 the tax is refundable when used for nonhighway purposes, and the provisions and procedures of chapter 57-43.1 relating to the refund of motor fuel taxes apply to the tax imposed by this chapter, provided that the amount refunded for any special fuel does not include the amount of tax imposed by section 57-43.2-03 on the sale of that fuel.

SECTION 3. AMENDMENT. If House Bill No. 1072 does not become effective, section 57-52-04 of the 1981 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-52-04. Tax imposed - Exemptions. ~~There is hereby levied and imposed~~

1. Except as otherwise provided in this section, an excise tax of ~~eight~~ thirteen cents per gallon [3.79

liters] is imposed on the sale or delivery of special fuel to any special fuel user, except that special fuel to be used for heating, agricultural, or railroad purposes or for industrial purposes other than in the performance of a contract with any unit of government shall be exempt from the tax imposed by this chapter, provided that the sale or delivery of special fuel for use in a motor vehicle shall not be exempt. ~~Provided, however, the~~

2. The tax imposed by this section on agriculturally derived alcohol if used in a pure state or if blended with another agriculturally derived liquid ~~shall be~~ is four cents per gallon [3.79 liters] less than the tax imposed under subsection 1.
3. ~~Said~~ The tax shall attach attaches at the time of sale, delivery, or transfer of title of such special fuel to a special fuel user. ~~Such~~ The tax shall must be collected from the special fuel user by the special fuel dealer and paid over to the state tax commissioner as hereinafter provided.
4. Except as prohibited by section 57-50-05.1, the tax ~~imposed herein shall be~~ is refundable when used for nonhighway purposes, and the provisions and procedures of chapter 57-50 relating to the refund of motor fuel taxes shall apply to the tax imposed by this chapter, provided that the amount refunded for any special fuel shall not include the amount of tax imposed by section 57-53-02 on the sale of that fuel.

SECTION 4. AMENDMENT. If House Bill No. 1073 does not become effective, section 57-54-08 of the 1981 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-54-08. Tax imposed on motor vehicle fuels - Tax reduced for agriculturally derived alcohol-blended fuels. ~~There is hereby imposed~~

1. Except as otherwise provided in this section a tax of ~~eight~~ thirteen cents per gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state. ~~Provided, however, the~~
2. The tax imposed by this section on gasoline sold which contains a minimum ten percent blend of an agricultural ethyl alcohol or methanol whose purity is at least ninety-nine percent alcohol ~~shall be~~ is four cents per gallon [3.79 liters] less than the tax imposed under subsection 1.

3. The tax imposed by this section ~~shall~~ must be collected by the dealer from the consumer on all sales.
4. Sales of fuel in the original package may be made to a licensed dealer, ~~and he shall have the option of collecting~~ who may collect the tax imposed by this chapter, but on sales in the original package to persons other than licensed dealers, the dealer ~~shall~~ is liable for the tax thereon.

SECTION 5. Partial distribution to townships. The tax commissioner shall transfer the proceeds of one cent of the tax imposed by this Act to the state treasurer who shall deposit the proceeds in a township highway aid fund in the state treasury. The state treasurer shall quarterly allocate and distribute all moneys in the township highway aid fund to the counties of the state. The county treasurer shall allocate the funds received to the organized townships in the county based on the mileage of township roads in each organized township compared to the mileage of all township roads in the county. The funds received must be deposited in the township road and bridge fund and be used for highway and bridge purposes. If a county has no organized townships, or has some organized and some unorganized townships, the county shall retain a pro rata portion of the funds received based on the number of miles of roads in unorganized townships compared to the number of miles of township roads in organized townships in the county. Moneys retained by a county under this section must be deposited in the county road and bridge fund."

And renumber the lines and pages accordingly