

Fifty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2306

Introduced by

Senators Naaden, Freborg

1 A BILL for an Act to allow school districts to impose income taxes with voter approval for  
2 payment of principal and interest on bonds.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. School district income taxes - Contracts for collection.** A school  
5 district may impose income taxes within the school district for payment of up to twenty-five  
6 percent of the principal and interest on specified bonds of the district if imposition of the taxes is  
7 approved by the qualified electors of the district voting on the question at any regular or special  
8 school district election at which the question of issuance of the specified bonds also appears on  
9 the ballot. Net revenue from the taxes must be used to retire specified bonded indebtedness  
10 and the percentage of qualified electors voting to approve imposition of taxes under this section  
11 must equal or exceed the percentage required by law to approve issuance of the bonds. Any  
12 amount required for payment of principal and interest on bonds which is not provided by a tax  
13 under this section must be provided in compliance with section 21-03-15. A tax imposed under  
14 this section may not be imposed after the taxable year in which the bonds for which the tax  
15 under this section was approved are retired. Any revenue from taxes imposed under this  
16 section remaining after retirement of the bonds for which the taxes were authorized may be  
17 transferred to the general fund of the school district.

18 The governing body of the school district and the tax commissioner may enter a  
19 contract for collection of taxes imposed under this section. The contract must provide for  
20 transfer of revenues to the school district and an agreed amount to be allowed the tax  
21 commissioner for collection services. Any amount allowed the tax commissioner must be  
22 transferred to the state treasurer for deposit in the state general fund.