FIRST ENGROSSMENT

Fifty-fifth Legislative Assembly of North Dakota

ENGROSSED SENATE BILL NO. 2242

Introduced by

Senators Kelsh, Kringstad

Representatives Hausauer, Maragos

- A BILL for an Act to amend and reenact sections 57-39.2-03.2 and 57-40.2-03.2 of the North
- 2 Dakota Century Code, relating to the rate of sales and use taxes on sales, storage, use, or
- 3 consumption of alcoholic beverages; and to provide an effective date.

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

- 5 **SECTION 1. AMENDMENT.** Section 57-39.2-03.2 of the North Dakota Century Code 6 is amended and reenacted as follows:
- 7 57-39.2-03.2. Sales tax on alcoholic beverages and tobacco products.
- 8 Notwithstanding any other provision of law, the sales taxes imposed by this chapter apply to the
- 9 gross receipts of retailers from all sales at retail of alcoholic beverages as defined in section
- 10 5-01-01, whether mixed or unmixed at the time of sale or thereafter, and whether sold for
- 11 consumption on the premises or through off-sale outlets for consumption off the premises, and
- 12 cigarettes, cigars, and other tobacco products, provided that gross receipts from the sale
- 13 thereof means and includes any other taxes imposed on such merchandise or its use or on the
- 14 retail or other sale thereof. Notwithstanding any other provision of law, there is imposed a tax
- of seven percent on the gross receipts of retailers from all sales at retail of alcoholic beverages
- 16 for consumption off the premises where purchased, and six percent on the gross receipts of
- 17 retailers from sales at retail of alcoholic beverages for consumption on the premises where
- 18 <u>purchased</u>, which is in lieu of and not in addition to any other tax imposed by this chapter.
- 19 **SECTION 2. AMENDMENT.** Section 57-40.2-03.2 of the North Dakota Century Code
- 20 is amended and reenacted as follows:
- 21 57-40.2-03.2. Use tax on alcoholic beverages and tobacco products.
- 22 Notwithstanding any other provision of law, the use taxes imposed by this chapter apply to the
- 23 storage, use, or consumption in this state of alcoholic beverages as defined in section 5-01-01,
- 24 whether mixed or unmixed at the time of sale or thereafter, and whether sold for consumption

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- 1 on the premises or through off-sale outlets for consumption off the premises, and cigarettes,
- 2 cigars, and other tobacco products, provided that gross receipts from the sale thereof mean
- 3 and include any other taxes imposed on such merchandise or its use or on the retail or other
- 4 sale thereof. Notwithstanding any other provision of law, there is imposed a tax of seven
- 5 percent on the storage, use, or consumption in this state of alcoholic beverages, originally
- 6 purchased for consumption off the premises where purchased and six percent on the storage,
- 7 use, or consumption in this state of alcoholic beverages originally purchased for consumption
- 8 on the premises where purchased, which is in lieu of and not in addition to any other tax
- 9 imposed by this chapter.
- SECTION 3. EFFECTIVE DATE. This Act is effective for taxable events occurring after June 30, 1998.