

Fifty-fifth  
Legislative Assembly  
of North Dakota

## HOUSE BILL NO. 1105

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

1 A BILL for an Act to amend and reenact section 57-01-13 of the North Dakota Century Code,  
2 relating to the collection of delinquent motor vehicle fuels, special fuels, importer for use,  
3 aviation fuel, and motor vehicle excise taxes from nonresident taxpayers.

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

5 **SECTION 1. AMENDMENT.** Section 57-01-13 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **57-01-13. Collection of delinquent sales, use, motor vehicle fuels, special fuels,**  
8 **importer for use, aviation fuel, motor vehicle excise, income, and business and**  
9 **corporation privilege taxes.**

10 1. Notwithstanding the secrecy and confidential information provisions in chapters  
11 57-38 and 57-39.2, the tax commissioner may, for the purpose of collecting  
12 delinquent North Dakota sales, use, motor vehicle fuels, special fuels, importer for  
13 use, aviation fuel, motor vehicle excise, income, or business and corporation  
14 privilege taxes due from a taxpayer not residing or domiciled in this state, contract  
15 with any collection or credit agency, within or without the state, for the collection of  
16 such the delinquent sales, use, motor vehicle fuels, special fuels, importer for use,  
17 aviation fuel, motor vehicle excise, income, or business and corporation privilege  
18 taxes, including penalties and interest thereon. For purposes of this section, a  
19 delinquent tax is defined as a tax liability that is due and owing for a period longer  
20 than six months and for which the taxpayer has been given at least three notices in  
21 writing requesting payment, the first two notices must be sent by regular mail to the  
22 taxpayer at his the taxpayer's last known mailing address and the third notice must

be sent by certified or registered mail to the taxpayer's last known mailing address.

If the tax commissioner has assigned a delinquent tax liability pursuant to this section, subsequent sales, use, motor vehicle fuels, special fuels, importer for use, aviation fuel, motor vehicle excise, income, or business and corporation privilege taxes that become due from the same taxpayer may be assigned immediately and without further notice to the taxpayer, so long as the originally assigned liability has not been fully collected.

2. a. Fees for services, reimbursement, or any other remuneration to ~~such a~~ collection or credit agency must be based on the amount of tax, penalty, and interest actually collected. Each contract entered into between the tax commissioner and the collection or credit agency ~~shall~~ must provide for the payment of fees for ~~such the~~ services, reimbursements, or other remunerations not in excess of fifty percent of the amount of delinquent sales, use, motor vehicle fuels, special fuels, importer for use, aviation fuel, motor vehicle excise, income, or business and corporation privilege tax, including penalties and interest actually collected.
- b. All funds collected, less the fees for collection services, as provided in the contract, must be remitted to the tax commissioner monthly from the date of collection from a taxpayer. Forms to be used for ~~such the~~ remittances must be prescribed by the tax commissioner.
- c. Before entering into ~~such a~~ contract, the tax commissioner shall require a bond from the collection or credit agency not in excess of ten thousand dollars, guaranteeing compliance with the terms of the contract.
3. A collection or credit agency entering into a contract with the tax commissioner for the collection of delinquent taxes pursuant to this section thereby agrees that it is doing business in this state for the purposes of the North Dakota income tax and business and corporation privilege tax laws.