

Fifty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2072

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

1 A BILL for an Act to create and enact a new subsection to section 57-40.2-02.1 of the North
2 Dakota Century Code, relating to the imposition of a use tax on natural gas; and to amend and
3 reenact subsection 6 of section 57-39.2-04 and section 57-40.3-05.1 of the North Dakota
4 Century Code, relating to a sales tax exemption for a political subdivision of another state and
5 the requirement for a seller's certificate under the motor vehicle excise tax.

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

7 **SECTION 1. AMENDMENT.** Subsection 6 of section 57-39.2-04 of the 1995

8 Supplement to the North Dakota Century Code is amended and reenacted as follows:

9 6. Gross receipts from all sales otherwise taxable under this chapter made to the
10 United States or to any state, including the state of North Dakota, or any of the
11 subdivisions, departments, agencies, or institutions of any state. A political
12 subdivision of another state is exempt under this subsection only if ~~it is exempt~~
13 ~~from sales tax in its home state~~ a sale to a North Dakota political subdivision is
14 treated as an exempt sale in that state. The governmental units exempted by this
15 subsection must be issued a certificate of exemption by the commissioner and
16 ~~such~~ the certificate must be presented to each retailer whenever this exemption is
17 claimed.

18 **SECTION 2.** A new subsection to section 57-40.2-02.1 of the North Dakota Century
19 Code is created and enacted as follows:

20 An excise tax is imposed on the storage, use, or consumption in this state of
21 natural gas consumed by a final user at the rate of four percent from January 1,
22 1993, through December 31, 1993; three percent from January 1, 1994, through

December 31, 1994; and two percent after December 31, 1994, if sales tax has not been applied as provided by section 57-39.2-03.6.

SECTION 3. AMENDMENT. Section 57-40.3-05.1 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

57-40.3-05.1. Seller to furnish motor vehicle seller's certificate to purchaser. Any person, except a licensed vehicle dealer or a person transferring a motor vehicle exempt from tax under section 57-40.3-04, selling a motor vehicle shall provide a motor vehicle seller's certificate or a completed bill of sale to the purchaser showing a complete description of the motor vehicle, the seller's name and address, the buyer's name and address, the full purchase price of the vehicle, and the trade-in allowance and description of the trade-in, if any. A copy of the motor vehicle seller's certificate or a completed bill of sale must be presented to the department of transportation at the time the motor vehicle is registered. If a seller's certificate is not provided at the time of registration, the motor vehicle excise tax may be determined through a used vehicle buying guide and must be based on average retail value. Every licensed vehicle dealer, at the time of sale of a motor vehicle, must complete that portion of a motor vehicle purchase certificate relating to the full purchase price of the vehicle and any allowance for a trade-in.