

PROPOSED AMENDMENTS TO SENATE BILL NO. 2006

Page 1, line 3, remove the first "and" and after "57-01-04" insert "and subsection 2 of section 57-01-13"

Page 1, line 4, after "commissioner" insert "and the payment of fees for services rendered by a collection or credit agency; to provide a continuing appropriation for the payment of fees for services rendered by a collection or credit agency; and to provide a contingent expiration date"

Page 1, line 14, replace "11,888,357" with "11,761,828"

Page 1, line 19, replace "17,403,637" with "17,277,108"

Page 1, line 21, replace "17,109,908" with "16,983,379"

Page 2, line 15, replace "sixty-five" with "fifty-eight"

Page 2, line 16, replace "eight" with "two", replace "ninety-two" with "sixty-two", and after "2000" insert ", fifty-nine thousand four hundred twenty-eight dollars through December 31, 2000"

Page 2, line 17, replace "sixty-seven" with "sixty-six", replace "eight" with "two", and replace "seventy-two" with "eighty-two"

Page 2, after line 17, insert:

**"SECTION 5. AMENDMENT.** Subsection 2 of section 57-01-13 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. a. Fees for services, reimbursement, or any other remuneration to 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 must provide for the payment of fees for the services, reimbursements, or other remuneration 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, by the collection or credit agency must be remitted to the tax commissioner monthly from the date of collection from a taxpayer. Forms to be used for the remittances must be prescribed by the tax commissioner. The tax commissioner shall transfer the funds to the state treasurer for deposit in the state general fund. An amount equal to the amount of fees for services, reimbursement, or any other remuneration to the collection or credit agency as set forth in the contract authorized by this section is appropriated as a standing and continuing appropriation to the tax commissioner for payment of fees due under the contract.

- c. Before entering into 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.

**SECTION 6. CONTINGENT EXPIRATION DATE.** Section 5 of this Act is effective until such time as section 12 of article X of the Constitution of North Dakota is effectively amended to provide for the retention of public money by a nongovernmental entity as fees for services rendered to the state of North Dakota."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**DEPARTMENT 127 - TAX DEPARTMENT**

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$11,888,357	(\$126,529)	\$11,761,828
Operating expenses	4,803,051		4,803,051
Equipment	368,500		368,500
City tax administration fees	50,000		50,000
Motor fuels federal grant	<u>293,729</u>		<u>293,729</u>
Total all funds	\$17,403,637	(\$126,529)	\$17,277,108
Less special funds	<u>293,729</u>		<u>293,729</u>
General fund	\$17,109,908	(\$126,529)	\$16,983,379
FTE	144.00	0.00	144.00

Detail of Senate changes to the executive budget include:

	REDUCE COMPENSATION PACKAGE TO 2/2	ADJUST HEALTH INSURANCE COST	DELAY MARKET SALARY ADJUSTMENTS TO 1/1/01	TOTAL SENATE CHANGES
Salaries and wages	(\$148,810)	\$41,342	(\$19,061) <sup>1,2</sup>	(\$126,529)
Operating expenses				
Equipment				
City tax administration fees				
Motor fuels federal grant				
Total all funds	(\$148,810)	\$41,342	(\$19,061)	(\$126,529)
Less special funds				
General fund	(\$148,810)	\$41,342	(\$19,061)	(\$126,529)
FTE	0.00	0.00	0.00	0.00

Senate changes narrative:

<sup>1</sup> In addition to the two percent annual salary increases, funding is included to provide the commissioner a market equity salary increase of \$571.17 per month for the final six months of the biennium. The statutory annual salary for the commissioner will be:

Current salary	\$57,120
July 1, 1999	\$58,262
July 1, 2000	\$59,428
January 1, 2001	\$66,282

<sup>2</sup> In addition to the two percent annual salary increases, funding is included to provide the deputy commissioner a market equity salary increase of \$159.75 per month for the final six months of the biennium and the tax supervisor of assessments a market salary increase of \$140.83 per month for the final six months of the biennium.

A section is added providing the commissioner with a continuing appropriation to pay collection agency fees from the funds collected and remitted to the state by the collection agency. The section is effective until the constitution is amended to allow nongovernmental agencies, such as collection agencies, to retain their fees prior to remitting the funds collected to the state.