

HOUSE BILL NO. 1314

Introduced by

Representatives Brandenburg, Kretschmar

Senator Erbele

1 A BILL for an Act to create and enact a new section to chapter 57-39.2 of the North Dakota
2 Century Code, relating to allocation of city sales tax collections to the home school district of a
3 purchaser if the city allocates home rule sales tax revenues to a school district within the city.

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

5 **SECTION 1.** A new section to chapter 57-39.2 of the North Dakota Century Code is
6 created and enacted as follows:

7 **City sales tax allocation to home school district.** Each retailer located within the city
8 limits of a city imposing a sales tax under home rule authority from which revenue is transferred
9 to a school district in that city shall provide the purchaser in each retail sale subject to the city
10 home rule sales tax a designation form with the sales receipt for the taxable sale if the
11 purchaser is not a resident of that city. The city auditor shall provide the designation form to
12 retailers. Each retailer shall file completed forms provided by purchasers with the tax
13 commissioner with the retailer's sales tax return for the taxable period. The designation form
14 may be used by a purchaser to designate the home school district of the purchaser's residence
15 within North Dakota for receipt of the city sales tax collected on the sale. The tax commissioner
16 shall allocate from sales tax collections within each city the amounts designated by purchasers
17 under this section for allocation to school districts and transmit those funds to those school
18 districts before transferring city sales tax collections to the cities in which the purchases were
19 made. The tax commissioner may not make an allocation to a school district unless it is in the
20 amount of five dollars or more.