

HOUSE BILL NO. 1472

Introduced by

Representative Kelsh

1 A BILL for an Act amend and reenact section 57-39.2-26.1 of the North Dakota Century Code,
2 relating to increased allocation of sales, gross receipts, use, and motor vehicle excise tax
3 collections to the state aid distribution fund to provide increased allocations to political
4 subdivisions; to provide continuing appropriations; ~~and to provide an effective date;~~ and to
5 provide an expiration date.

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

7 **SECTION 1. AMENDMENT.** Section 57-39.2-26.1 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-39.2-26.1. Allocation of revenues among political subdivisions.**

10 Notwithstanding any other provision of law, a portion of sales, gross receipts, use, and
11 motor vehicle excise tax collections, equal to ~~forty-three and one-half percent~~ of an amount
12 determined by multiplying the quotient of one percent divided by the general sales tax rate, that
13 was in effect when the taxes were collected, times the net sales, gross receipts, use, and motor
14 vehicle excise tax collections under chapters 57-39.2, 57-39.5, 57-39.6, 57-40.2, and 57-40.3
15 must be deposited by the state treasurer in the state aid distribution fund. The state tax
16 commissioner shall certify to the state treasurer the portion of sales, gross receipts, use, and
17 motor vehicle excise tax net revenues that must be deposited in the state aid distribution fund
18 as determined under this section. Revenues deposited in the state aid distribution fund are
19 provided as a standing and continuing appropriation and must be allocated as follows:

20 1. The state treasurer shall allocate one-half of the revenues as follows:

21 a. Fifty-three and seven-tenths percent of the revenues must be allocated to
22 counties in the first month after each quarterly period as provided in this
23 ~~subsections~~subdivision.

1 A city shall deposit all revenues received under this ~~subsection~~subdivision in
2 the city general fund. Each city shall reserve a portion of its allocation under this
3 ~~subsection~~subdivision for further distribution to, or expenditure on behalf of, park
4 districts and other taxing districts within the city, excluding school districts. The
5 share of the city allocation under this ~~subsection~~subdivision to be distributed to a
6 park district must be equal to the percentage of the city share of state aid
7 distribution fund allocations that park district received during calendar year 1996,
8 up to a maximum of thirty percent. The governing boards of the city and park
9 district may agree to a different distribution.

10 2. The state treasurer shall allocate one-half of the revenues among counties in
11 proportion to the share each county receives of all allocations among counties under
12 subsection 1. All revenue received by each county under this subsection may be
13 expended by the county only for county infrastructure projects.

14 **SECTION 2. EFFECTIVE DATE - EXPIRATION DATE.** This Act is effective for taxable
15 events occurring after June 30, 2015, and before July 1, 2017, and is thereafter ineffective.