

**FIRST ENGROSSMENT
with Conference Committee Amendments
ENGROSSED HOUSE BILL NO. 1006**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the office of the
2 tax commissioner and for payment of state reimbursement under the homestead tax credit and
3 disabled veterans' credit; to provide for a continuing appropriation; to provide for transfers; to
4 provide an exemption; to create and enact a new section to chapter 57-01 of the North Dakota
5 Century Code, relating to a multistate tax audit fund; and to declare an emergency.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the tax commissioner for the purpose of defraying the expenses of the tax
11 commissioner and paying the state reimbursement under the homestead tax credit and
12 disabled veterans' credit, for the biennium beginning July 1, 2017, and ending June 30, 2019,
13 as follows:

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>	
14				
15				
16	Salaries and wages	\$21,528,135	\$195,869	\$21,724,004
17	Operating expenses	7,628,262	(878,967)	6,749,295
18	Capital assets	16,000	(10,000)	6,000
19	Homestead tax credit	18,690,000	(3,890,000)	14,800,000
20	Disabled veterans' credit	<u>7,175,091</u>	<u>935,109</u>	<u>8,110,200</u>
21	Total all funds	\$55,037,488	(\$3,647,989)	\$51,389,499
22	Less estimated income	<u>125,000</u>	<u>0</u>	<u>125,000</u>
23	Total general fund	\$54,912,488	(\$3,647,989)	\$51,264,499
24	Full-time equivalent positions	136.00	(3.00)	133.00

1 **SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in
2 section 1 of this Act includes the sum of \$353,067 from the general fund for increases in
3 employee health insurance premiums from \$1,130 to \$1,241 per month.

4 **SECTION 3. ONE-TIME FUNDING.** The following amounts reflect the one-time funding
5 items approved by the sixty-fourth legislative assembly for the 2015-17 biennium:

6 <u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
7 Scanners	<u>\$8,000</u>	<u>\$0</u>
8 Total general fund	\$8,000	\$0

9 **SECTION 4. LINE ITEM TRANSFERS - 2015-17 BIENNIUM.** The state tax commissioner
10 may transfer funds between the homestead tax credit and disabled veterans' tax credit line
11 items in section 1 of chapter 40 of the 2015 Session Laws if one line item does not have
12 sufficient funds available for state reimbursement of eligible tax credits. The state tax
13 commissioner shall notify the office of management and budget and the legislative council of
14 any transfers made pursuant to this section.

15 **SECTION 5. LINE ITEM TRANSFERS - 2017-19 BIENNIUM.** The state tax commissioner
16 may transfer funds between the homestead tax credit and disabled veterans' tax credit line
17 items in section 1 of this Act if one line item does not have sufficient funds available for state
18 reimbursement of eligible tax credits. The state tax commissioner shall notify the office of
19 management and budget and the legislative council of any transfers made pursuant to this
20 section.

21 **SECTION 6. TRANSFER.** There is transferred to the general fund in the state treasury out
22 of motor vehicle fuel tax revenue collected pursuant to section 57-43.1-02, the sum of
23 \$2,016,120 for the purpose of reimbursing the general fund for expenses incurred in the
24 collection of the motor vehicle fuels and special fuels taxes and the administration of these
25 taxes for the biennium beginning July 1, 2017, and ending June 30, 2019.

26 **SECTION 7. EXEMPTION - SALES TAX AUDIT POSITION.** Up to \$75,000 of the amount
27 appropriated from the general fund to the tax commissioner in section 1 of chapter 40 of the
28 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this
29 amount are available to provide salaries and wages funding for a sales tax audit position during
30 the biennium beginning July 1, 2017, and ending June 30, 2019.

1 **SECTION 8.** A new section to chapter 57-01 of the North Dakota Century Code is created
2 and enacted as follows:

3 **Multistate tax audit fund - Continuing appropriation - Transfers to the general fund.**

4 There is created in the state treasury the multistate tax audit fund. The fund consists of all
5 moneys collected and received by the tax commissioner as a result of participation in the
6 multistate tax commission audit and nexus programs. All moneys in the fund are appropriated to
7 the tax commissioner on a continuing basis to pay the multistate tax commission audit and
8 nexus program fees. On or before June thirtieth of each year, the tax commissioner shall certify
9 to the state treasurer the amount of accumulated funds in the multistate tax audit fund which
10 exceed the audit and nexus program fees for the following year. The state treasurer shall
11 transfer the certified amount from the multistate tax audit fund to the general fund prior to the
12 end of each fiscal year.

13 **SECTION 9. EMERGENCY.** Section 4 of this Act is declared to be an emergency measure.