



Testimony

Senate Finance and Taxation Committee

Senate Bill 2044

January 4, 2023

Chairman Kannianen, and members of the Senate Finance & Taxation Committee:

My name is Shannon Fleischer, Associate Director of Tax Administration. I am here on behalf of the North Dakota Office of State Tax Commissioner in support of Senate Bill 2044. The bill amends North Dakota Century Code (N.D.C.C) § 54-27-26 relating to the annual Transportation Funding Reports required to be filed by counties, cities, and townships.

History of the Transportation Funding Report requirement under 54-27-26:

In 2009, SB 2012 created a new requirement for each county, city, and township to provide an annual report to the Tax Commissioner detailing the funding for their transportation projects and programs. The annual report requirements include the fund's beginning balance, fund revenues by source, fund expenditures by category, and the ending fund balance. The report is due to the Tax Commissioner within 90 days from the close of the calendar year.

The Office of State Tax Commissioner has been collecting this information since 2010. The Tax Commissioner does not use this information to administer any tax. The Department of Transportation is the only organization that continues to request this information from our agency. The Department of Transportation is required to report this information to the Federal Highway Administration.

Proposed changes to N.D.C.C. § 54-27-26:

Senate Bill 2044 proposes changing the entity that receives the Transportation Funding Reports from the Tax Commissioner to the Director of the Department of Transportation. This change will create efficiencies in the reporting process by eliminating the Tax Commissioner as a middleman and reporting the information directly to the Department of Transportation.

Chairman Kannianen, and members of the Committee, the Tax Commissioner respectfully requests favorable consideration of Senate Bill 2044. I am available for any questions you may have. Thank you.

Prepared by:
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