

**HOUSE BILL NO. 1484**

Introduced by

Representatives Hagert, Beltz

Senator Lemm

1 A BILL for an Act to amend and reenact sections 57-40.3-02 and 57-40.3-09 of the North  
2 Dakota Century Code, relating to the imposition of motor vehicle excise tax and an exemption  
3 for motor vehicle excise tax paid or not assessed in other states; and to provide an effective  
4 date.

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

6 **SECTION 1. AMENDMENT.** Section 57-40.3-02 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **57-40.3-02. Tax imposed.**

9 There is hereby imposed an excise tax ~~at the rate of five percent on the purchase price of~~  
10 ~~any~~ on a motor vehicle purchased or acquired either in or outside of the state of ~~North Dakota~~  
11 for use on the streets and highways of this state and required to be registered under the laws of  
12 this state as follows:

13 1. For a motor vehicle that is fewer than ten years old at the time the motor vehicle is  
14 purchased or acquired, a tax is imposed at a rate of five percent on the purchase price  
15 of the motor vehicle.

16 2. For a motor vehicle that is ten or more years old at the time the motor vehicle is  
17 purchased or acquired, a tax is imposed in an amount equal to one-hundred dollars.

18 **SECTION 2. AMENDMENT.** Section 57-40.3-09 of the North Dakota Century Code is  
19 amended and reenacted as follows:

20 **57-40.3-09. ~~Credit~~Exemption for excise tax paid or not assessed in other states -**  
21 **Reciprocity.**

22 ~~If any~~

23 1. A motor vehicle is exempt from the tax imposed under 57-40.3-02 if:

- 1           a. Any sales tax, use tax, or motor vehicle excise tax has been paid on the motor  
2           vehicle in any other state, or political subdivision thereof, in respect to itsthe sale  
3           or use in an amount less than the tax imposed by this chapter, the provisions of  
4           this chapter apply, but in an amount equal to the difference between the tax  
5           imposed by this chapter and the tax paid in the other state, or political subdivision  
6           thereof. If the tax paid in the other state, or political subdivision thereof, is the  
7           same or more, then no tax is due on the motor vehicle. The provisions of this  
8           section apply only if the other state, or political subdivision thereof, allows a tax  
9           credit with respect to the excise tax imposed by this chapter which is substantially  
10          similar in effect to the credit allowed by this sectionof the motor vehicle.
- 11          b. The motor vehicle was purchased in a state that does not assess a tax on the  
12          sale or use of a motor vehicle, including a sales tax, use tax, or motor vehicle  
13          excise tax.
- 14          2. The tax commissioner may require the purchaser to provide written proof from the  
15          other state, or political subdivision thereof, that the tax was legally due and paid.
- 16          3. For purposes of this section, "state" means a state, territory, or possession of the  
17          United States, the District of Columbia, or the Commonwealth of Puerto Rico.
- 18          **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
19          June 30, 2025.