2023 HOUSE FINANCE AND TAXATION

HB 1210

2023 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Room JW327E, State Capitol

HB 1210
1/17/2023

A bill relating to notification requirements for sales and use tax exemptions for certain sales made to a senior citizen organization.

Chairman Headland opened the hearing at 10:28am.

Members present: Chairman Headland, Vice Chairman Hagert, Representative Anderson, Representative Bosch, Representative Dockter, Representative Fisher, Representative Grueneich, Representative Hatlestad, Representative Motschenbacher, Representative Olson, Representative Steiner, Representative Toman, Representative Finley-DeVille, and Representative Ista. No members absent.

Discussion Topics:

- Aging services tax exemption
- Recertification of services

Representative Richter verbally introduced bill in support.

Shannon Fleischer, Associate Direct of Tax Administration for the North Dakota Tax Department, answered questions from the committee in a neutral capacity.

Chairman Headland closed the hearing at 10:38am.

Representative Olson moved a Do Pass.

Representative Ista seconded the motion.

Roll call vote:

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Glenn Bosch	Y
Representative Jason Dockter	Y
Representative Lisa Finley-DeVille	Y
Representative Jay Fisher	Y
Representative Jim Grueneich	Y
Representative Patrick Hatlestad	Y
Representative Zachary Ista	Y
Representative Mike Motschenbacher	Y
Representative Jeremy Olson	Y

Representative Vicky Steiner	Y
Representative Nathan Toman	Y

Motion carried 14-0-0

Representative Ista is the bill carrier.

Meeting adjourned at 10:40am.

Mary Brucker, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1210: Finance and Taxation Committee (Rep. Headland, Chairman) recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1210 was placed on the Eleventh order on the calendar.

2023 SENATE FINANCE AND TAXATION

HB 1210

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Fort Totten Room, State Capitol

HB 1210
3/6/2023

Relating to notification requirements for sales and use tax exemptions for certain sales made to a senior citizen organization.

9:00 AM Chairman Kannianen opened hearing.

Senator Present: **Kannianen, Weber, Patten, Rummel, Piepkorn.**

Discussion Topics:

- Senior center contracts
- Tax exemption process
- Certificates

9:00 AM Representative Richter, District 1, introduced HB 1210.(#26382).

9:08 AM Chairman Kannianen adjourned hearing.

Nathan Liesen, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Fort Totten Room, State Capitol

HB 1210
3/8/2023

relating to qualification and notification requirements for sales and use tax exemptions for certain sales made to a senior citizen organization; to provide an effective date; and to declare an emergency.

11:45 AM Chairman Kannianen opened the meeting.
Senator Present: **Kannianen, Weber, Patten, Rummel, Piepkorn, Magrum.**

Discussion Topics:

- PACE program
- Amendment
- Committee action

11:49 AM Senator Rummel moved to FURTHER AMEND LC 23.0424.03001 "add an emergency clause"
11:49 AM Senator Patten seconded.

Roll call vote.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	Y
Senator Jeffery J. Magrum	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Dean Rummel	Y

Passed 6-0-0

11:51 AM Senator Rummel moved a Do Pass as Amended.
11:52 AM Senator Patten seconded.

Roll call vote.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	Y
Senator Jeffery J. Magrum	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Dean Rummel	Y

Passed 6-0-0

Senator Piepkorn will carry the bill.
11:52 AM Chairman Kannianen closed the meeting.

Nathan Liesen, Committee Clerk

23.0424.03002
Title.04000

Adopted by the Senate Finance and Taxation Committee

March 8, 2023

AG 3-8-23 (1-1)

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1210

Page 1, line 2, after "to" insert "qualification and"

Page 1, line 3, after "organization" insert "; to provide an effective date; and to declare an emergency"

Page 1, line 15, overstrike "or"

Page 1, line 19, overstrike the period and insert immediately thereafter "; or

(c) Provides services through a contract with the department of health and human services as a program of all-inclusive care for the elderly."

Page 1, line 20, remove "aging services division of the"

Page 2, line 9, overstrike "or"

Page 2, line 13, overstrike the period and insert immediately thereafter "; or

(c) Provides services through a contract with the department of health and human services as a program of all-inclusive care for the elderly."

Page 2, line 14, remove "aging services division of the"

Page 2, after line 16, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable events occurring after June 30, 2023.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1210: Finance and Taxation Committee (Sen. Kannianen, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1210 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 2, after "to" insert "qualification and"

Page 1, line 3, after "organization" insert "; to provide an effective date; and to declare an emergency"

Page 1, line 15, overstrike "or"

Page 1, line 19, overstrike the period and insert immediately thereafter "; or

(c) Provides services through a contract with the department of health and human services as a program of all-inclusive care for the elderly."

Page 1, line 20, remove "aging services division of the"

Page 2, line 9, overstrike "or"

Page 2, line 13, overstrike the period and insert immediately thereafter "; or

(c) Provides services through a contract with the department of health and human services as a program of all-inclusive care for the elderly."

Page 2, line 14, remove "aging services division of the"

Page 2, after line 16, insert:

"**SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable events occurring after June 30, 2023.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

2023 CONFERENCE COMMITTEE

HB 1210

2023 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Room JW327E, State Capitol

HB 1210
4/7/2023
Conference Committee

A bill relating to qualification and notification requirements for sales and use tax exemption for certain sales made to a senior citizen organization.

Chairman Fisher opened the conference committee meeting at 10:30 AM.

Members present: Chairman Fisher, Representative Motschenbacher, Representative Hatlestad, Chairman Rummel, Senator Kannianen, and Senator Piepkorn.

Discussion Topics:

- Aging services within Health and Human Services
- Emergency clause and effective date
- HB 1498
- Committee vote

Chairman Rummel explained the Senate amendments.

Committee discussion.

Shannon Fleischer, Associate Director of Tax Administration with the North Dakota Tax Department, clarified information from the committee.

Representative Hatlestad moved for the House to accede to Senate Amendments.

Representative Motschenbacher seconded the motion.

Roll call vote:
Motion carried 6-0-0

Representative Hatlestad is the House carrier and Senator Rummel is the Senate carrier.

Chairman Fisher adjourned at 10:42 AM.

Mary Brucker, Committee Clerk

Date: 4/7/2023
Roll Call Vote #:1

2023 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1210 as (re) engrossed

House Finance and Taxation Committee

Action Taken ☒ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☐ **SENATE recede from Senate amendments**
☐ **SENATE recede from Senate amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: R*epresentative Hatlestad* Seconded by: R*epresentative Motschenbacher*

Representatives	4/7			**Yes**	**No**		**Senators**	4/7			**Yes**	**No**
C*hairman Fisher*	x			x			Chairman Rummel	x			x	
R*ep. Motschenbacher*	x			x			Senator Kannianen	x			x	
R*ep Hatlestad*	x			x			Senator Piepkorn	x			x	
Total Rep. Vote				3			Total Senate Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Representative Hatlestad Senate Carrier Chairman Rummel

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

HB 1210: Your conference committee (Sens. Rummel, Kannianen, Piepkorn and Reps. Fisher, Motschenbacher, Hatlestad) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1208-1209 and place HB 1210 on the Seventh order.

HB 1210 was placed on the Seventh order of business on the calendar.

TESTIMONY

HB 1210

23.0424.03001

Sixty-eighth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1210

Introduced by

Representative Richter

A BILL for an Act to amend and reenact subsection 60 of section 57-39.2-04 and subsection 27 of section 57-40.2-04 of the North Dakota Century Code, relating to qualification and notification requirements for sales and use tax exemptions for certain sales made to a senior citizen organization; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 60 of section 57-39.2-04 of the North Dakota Century Code is amended and reenacted as follows:

60. a. Gross receipts from sales to a senior citizen organization that provides informational, health, welfare, counseling, and referral services for senior citizens in this state if the senior citizen organization:

~~a.~~ (1) Is recognized by the internal revenue service as having exempt status under 26 U.S.C.501(c)(3);

~~b.~~ (2) Is recognized by the secretary of state as a charitable organization; and

~~c.~~ (3) Either:

~~(1)~~ (a) Provides services through the aging services division of the department of health and human services; ~~or~~

~~(2)~~ (b) Receives grant funds through the department of transportation ~~under the federal transit administration's~~which are used for enhanced mobility of seniors and individuals with disabilities ~~program [49 U.S.C. 5310]~~.; or

(c) Provides services through a contract with the department of health and human services as a program of all-inclusive care for the elderly.

b. The ~~aging services division of the~~ department of health and human services and the department of transportation shall notify the tax commissioner if a senior citizen organization no longer meets the criteria in paragraph 3 of subdivision a.

SECTION 2. AMENDMENT. Subsection 27 of section 57-40.2-04 of the North Dakota Century Code is amended and reenacted as follows:

27. a. Gross receipts from sales to a senior citizen organization that provides informational, health, welfare, counseling, and referral services for senior citizens in this state if the senior citizen organization:

~~a.~~ (1) Is recognized by the internal revenue service as having exempt status under 26 U.S.C. 501(c)(3);

~~b.~~ (2) Is recognized by the secretary of state as a charitable organization; and

~~c.~~ (3) Either:

~~(1)~~ (a) Provides services through the aging services division of the department of health and human services; ~~or~~

~~(2)~~ (b) Receives grant funds through the department of transportation ~~under the federal transit administration's~~which are used for enhanced mobility of seniors and individuals with disabilities ~~program [49 U.S.C. 5310]~~.; or

(c) Provides services through a contract with the department of health and human services as a program of all-inclusive care for the elderly.

b. The ~~aging services division of the~~ department of health and human services and the department of transportation shall notify the tax commissioner if a senior citizen organization no longer meets the criteria in paragraph 3 of subdivision a.

SECTION 3. EFFECTIVE DATE. This Act is effective for taxable events occurring after June 30, 2023.