

Fifty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2072

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

1 A BILL for an Act to create and enact a new subsection to section 57-40.2-02.1 of the North  
2 Dakota Century Code, relating to the imposition of a use tax on natural gas; to amend and  
3 reenact subsection 6 of section 57-39.2-04 and section 57-40.3-05.1 of the North Dakota  
4 Century Code, relating to a sales tax exemption for a political subdivision of another state and  
5 the requirement for a seller's certificate under the motor vehicle excise tax; and to repeal  
6 sections 57-37.1-12, 57-37.1-13, and 57-37.1-14 of the North Dakota Century Code, relating to  
7 inventory of safety deposit boxes upon the death of the lessor, the notice of transfer of a  
8 decedent's assets, and penalties for violating the duties of a depository.

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

10 **SECTION 1. AMENDMENT.** Subsection 6 of section 57-39.2-04 of the 1995  
11 Supplement to the North Dakota Century Code is amended and reenacted as follows:

12 6. Gross receipts from all sales otherwise taxable under this chapter made to the  
13 United States or to any state, including the state of North Dakota, or any of the  
14 subdivisions, departments, agencies, or institutions of any state. A political  
15 subdivision of another state is exempt under this subsection only if ~~it is exempt~~  
16 ~~from sales tax in its home state~~ a sale to a North Dakota political subdivision is  
17 treated as an exempt sale in that state. The governmental units exempted by this  
18 subsection must be issued a certificate of exemption by the commissioner and  
19 ~~such~~ the certificate must be presented to each retailer whenever this exemption is  
20 claimed.

21 **SECTION 2.** A new subsection to section 57-40.2-02.1 of the North Dakota Century  
22 Code is created and enacted as follows:

1           An excise tax is imposed on the storage, use, or consumption in this state of  
2           natural gas consumed by a final user at the rate of four percent from January 1,  
3           1993, through December 31, 1993; three percent from January 1, 1994, through  
4           December 31, 1994; and two percent after December 31, 1994, if sales tax has not  
5           been applied as provided by section 57-39.2-03.6.

6           **SECTION 3. AMENDMENT.** Section 57-40.3-05.1 of the 1995 Supplement to the  
7 North Dakota Century Code is amended and reenacted as follows:

8           **57-40.3-05.1. Seller to furnish motor vehicle seller's certificate to purchaser.** Any  
9 person, except a licensed vehicle dealer or a person transferring a motor vehicle exempt from  
10 tax under section 57-40.3-04, selling a motor vehicle shall provide a motor vehicle seller's  
11 certificate or a completed bill of sale to the purchaser showing a complete description of the  
12 motor vehicle, the seller's name and address, the buyer's name and address, the full purchase  
13 price of the vehicle, and the trade-in allowance and description of the trade-in, if any. A copy of  
14 the motor vehicle seller's certificate or a completed bill of sale must be presented to the  
15 department of transportation at the time the motor vehicle is registered. If a seller's certificate is  
16 not provided at the time of registration, the motor vehicle excise tax may be determined through  
17 a used vehicle buying guide and must be based on average retail value. Every licensed vehicle  
18 dealer, at the time of sale of a motor vehicle, must complete that portion of a motor vehicle  
19 purchase certificate relating to the full purchase price of the vehicle and any allowance for a  
20 trade-in.

21           **SECTION 4. REPEAL.** Sections 57-37.1-13 and 57-37.1-14 of the North Dakota  
22 Century Code and section 57-37.1-12 of the 1995 Supplement to the North Dakota Century  
23 Code are repealed.