Fifty-sixth
Legislative Assembly   ENGROSSED SENATE BILL NO. 2331
of North Dakota

Introduced by

   Senators Kelsh, Traynor

   Representatives Brandenburg, DeKrey, Maragos, Warner

1   A BILL for an Act to create and enact a new section to chapter 58-03 of the North Dakota

2   Century Code, relating to sales, use, and excise taxes imposed by townships.

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

4   **SECTION 1.** A new section to chapter 58-03 of the North Dakota Century Code is

5   created and enacted as follows:

6   **Township sales, use, and excise taxes - Contracts for collection.** The township

7   electors, at the annual township meeting, may impose sales, use, or excise taxes, or any

8   combination of those taxes, within the township, excluding territory within an incorporated city.

9   Net revenues from taxes imposed under this section may be expended for any purpose for

10 which a township is authorized by law to expend its funds. A tax imposed under this section

11 must be imposed for full calendar quarterly periods and may not be imposed if the township has

12 not levied its maximum general fund mill levy permitted by law for the most recent taxable year.

13   A tax imposed under this section must conform to state law regarding sales or activities

14 that are subject to, or exempt from, sales, use, or excise taxes and may not be imposed at a

15 rate exceeding one percent. A person required to collect taxes imposed under this section may

16 not be required to collect more than thirty thousand dollars in taxes imposed under this section

17 in any calendar year.

18   The board of township supervisors and the tax commissioner may enter a contract for

19 collection of taxes imposed under this section. The contract must provide for transfer of

20 revenues to the township and an agreed amount to be allowed the tax commissioner for

21 collection services. Any amount allowed the tax commissioner must be transferred to the state

22 treasurer for deposit in the state general fund.