

**SECOND ENGROSSMENT  
with Senate Amendments**Fifty-sixth  
Legislative Assembly  
of North Dakota**REENGROSSED HOUSE BILL NO. 1183**

Introduced by

Transportation Committee

(At the request of the Department of Transportation)

1 A BILL for an Act to create and enact a new section to chapter 57-40.3 of the North Dakota  
2 Century Code, relating to collection of motor vehicle excise taxes by licensed motor vehicle  
3 dealers; to amend and reenact sections 57-40.3-02 and 57-40.3-10 of the North Dakota  
4 Century Code, relating to the rate of the motor vehicle excise tax and allocation of a portion of  
5 motor vehicle excise tax revenues to the state highway fund; to provide an effective date; and  
6 to provide an expiration date.

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

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

10 **57-40.3-02. Tax imposed.** There is hereby imposed an excise tax at the rate of five  
11 and one-half percent on the purchase price of any motor vehicle purchased or acquired either  
12 in or outside of the state of North Dakota for use on the streets and highways of this state and  
13 required to be registered under the laws of this state.

14 **SECTION 2.** A new section to chapter 57-40.3 of the North Dakota Century Code is  
15 created and enacted as follows:

16 **Tax collected by licensed motor vehicle dealer.** On every motor vehicle sale by a  
17 licensed motor vehicle dealer which is taxable under this chapter, the dealer shall collect the  
18 tax due under this chapter from the purchaser at the time of purchase and remit the tax  
19 collected to the director of the department of transportation.

20 **SECTION 3. AMENDMENT.** Section 57-40.3-10 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22 **57-40.3-10. Transfer of revenue.** All moneys collected and received under this  
23 chapter must be transmitted monthly by the director of the department of transportation to the  
24 state treasurer to be transferred and credited to the general fund, except that the net receipts

1 from one-half of one percentage point of the tax imposed by section 57-40.3-02 must be  
2 transmitted monthly by the director of the department of transportation to the state treasurer to  
3 be credited to the state highway fund to be appropriated for use of the highway patrol.

4 **SECTION 4. EFFECTIVE DATE - EXPIRATION DATE.** This Act is effective for  
5 taxable sales occurring after June 30, 1999. Sections 1 and 3 of this Act are effective for  
6 taxable sales occurring through June 30, 2001, and are thereafter ineffective.