

HOUSE BILL NO. 1432

Introduced by

Representatives Lloyd, Aarsvold, Brusegaard

1 A BILL for an Act to create and enact a new section to chapter 57-38, two new sections to
2 chapter 57-39.2, and a new section to chapter 57-40.2 of the North Dakota Century Code,
3 relating to imposition of an income tax surtax and a separate and additional sales and use tax
4 and to provide for allocation of revenues to school districts; to amend and reenact section
5 15-45-01 or in the alternative section 15.1-22-01, sections 32-12.1-08, 52-09-08, 57-15-01.1,
6 57-15-14.2, 57-15-14.4, 57-16-03, 57-16-06, 57-16-07, 57-28-26, 57-38-55, 57-39.2-26, and
7 57-39.2-26.1 of the North Dakota Century Code, relating to elimination of school district general
8 fund property tax levy authority and allocation of sales, use, motor vehicle, and income tax
9 revenues; to repeal sections 15.1-09-47 and 57-15-14 of the North Dakota Century Code,
10 relating to unlimited levy authority of the Fargo school district and general fund levy authority of
11 school districts; to provide a continuing appropriation; and to provide an effective date.

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

13 **SECTION 1. AMENDMENT.** If House Bill No. 1045 does not become effective, section
14 15-45-01 of the North Dakota Century Code is amended and reenacted as follows:

15 **15-45-01. Establishing kindergartens - Election on ~~mill-levy~~ funding.** The school
16 board of any school district may, upon its own motion, establish free public kindergartens in
17 connection with the public schools of the district for the instruction of resident children below
18 school age during the regular school term. A school board which establishes free kindergartens
19 ~~may levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2~~ use moneys in
20 its general fund for that purpose. On a petition signed by qualified electors of the school district
21 comprising at least five percent of the number of persons enumerated in the school census for
22 that district for the most recent year such census was taken, but in no case less than
23 twenty-five qualified electors, the school board must submit the question of establishing a
24 kindergarten program at the next annual or special school election. The question must be

approved by a majority of the qualified electors of the district ~~by the respective margins of~~
~~electorate approval as provided for in section 57-15-14~~ voting on the question.

SECTION 2. AMENDMENT. Section 15.1-22-01 of the North Dakota Century Code as
created by House Bill No. 1045, as approved by the fifty-seventh legislative assembly, is
amended and reenacted as follows:

**15.1-22-01. Kindergarten - Establishment by board - Petition for establishment -
Levy Funding.**

1. Upon its own motion, the board of a school district may establish a free public
kindergarten for the instruction during a school year of resident children below
school age.
2. If the board receives a petition signed by qualified electors residing in the district
equal in number to at least twenty percent of those who voted in the most recent
annual school district election, the board must submit the question of establishing a
kindergarten to the electorate at the next annual or special school district election.
~~The margins of electoral approval provided in section 57-15-14 must be applied.~~
The question must be approved by a majority of the qualified electors of the district
voting on the question.
3. The board of a school district that establishes a kindergarten under this section
may ~~levy a tax pursuant to subdivision p of subsection 1 of section 57-15-14.2~~ use
moneys in its general fund for that purpose.

SECTION 3. AMENDMENT. Section 32-12.1-08 of the North Dakota Century Code is
amended and reenacted as follows:

32-12.1-08. Political subdivision insurance reserve fund - Tax levy.

1. A political subdivision, other than a school district, may establish and maintain an
insurance reserve fund for insurance purposes, and all political subdivisions
including school districts may include in the annual tax levy of the political
subdivision such amounts as are determined by the governing body to be
necessary for the purposes and uses of the insurance reserve fund. Except in the
case of a school district, the tax levy authorized by this section shall not exceed the
limitation in section 57-15-28.1. If a political subdivision has no annual tax levy, the
political subdivision may appropriate from any unexpended balance in its general

fund such amounts as the governing body of the political subdivision shall deem necessary for the purposes and uses of the insurance reserve fund.

2. Except in the case of a school district, the fund established pursuant to this section shall be kept separate and apart from all other funds and shall be used only for the payment of claims against the political subdivision which have been settled or compromised, judgments rendered against the political subdivision for injuries arising out of risks established by this chapter, or costs incurred in the defense of claims. Payments by a school district for the same purposes shall be made out of the district's general fund ~~as established in section 57-15-14.2.~~

SECTION 4. AMENDMENT. Section 52-09-08 of the North Dakota Century Code is amended and reenacted as follows:

52-09-08. Default in taxes - Interest - Action to collect - Levy of tax by political subdivisions. Taxes unpaid on the date on which they are due and payable, as prescribed by the bureau, must bear interest at the rate of one-half of one per centum per month from and after that date until payment plus accrued interest is received by the bureau; provided, that the bureau may prescribe fair and reasonable regulations pursuant to which interest does not accrue with respect to taxes required. The amount of interest imposed may not be less than five dollars. Interest collected pursuant to this section must be paid into the old-age and survivors' fund. A political subdivision, except a school district, a multidistrict special education board, or a center board of an area vocational and technology center, shall levy a tax sufficient to meet its obligations under this chapter, up to a maximum levy not exceeding the limitation in section 57-15-28.1 or, for counties, the limitation in subsection 36 of section 57-15-06.7. Within the levy limitations set out in subsection 6 of section 57-15-28.1, the governing body of a county may levy a tax for comprehensive health care insurance employee benefit programs duly established by the governing body. Any obligations under this chapter over and above the amount raised by the maximum levy permitted in this section must be paid out of the general fund of the political subdivision. All payments by a school district for obligations incurred under this chapter must be made out of the school district's general fund ~~established pursuant to section 57-15-14.2.~~

SECTION 5. AMENDMENT. Section 57-15-01.1 of the North Dakota Century Code is amended and reenacted as follows:

1 **57-15-01.1. Protection of taxpayers and taxing districts.** Each taxing district, except
2 a school district, may levy the lesser of the amount in dollars as certified in the budget of the
3 governing body, or the amount in dollars as allowed in this section, subject to the following:

- 4 1. No taxing district may levy more taxes expressed in dollars than the amounts
5 allowed by this section.
- 6 2. For purposes of this section:
 - 7 a. "Base year" means the taxing district's taxable year with the highest amount
8 levied in dollars in property taxes of the three taxable years immediately
9 preceding the budget year;
 - 10 b. "Budget year" means the taxing district's year for which the levy is being
11 determined under this section;
 - 12 c. "Calculated mill rate" means the mill rate that results from dividing the base
13 year taxes levied by the sum of the taxable value of the taxable property in the
14 base year plus the taxable value of the property exempt by local discretion or
15 charitable status, calculated in the same manner as the taxable property; and
 - 16 d. "Property exempt by local discretion or charitable status" means property
17 exempted from taxation as new or expanding businesses under chapter
18 40-57.1; improvements to property under chapter 57-02.2; or buildings
19 belonging to institutions of public charity, new single-family residential or
20 townhouse or condominium property, property used for early childhood
21 services, or pollution abatement improvements under section 57-02-08.
- 22 3. A taxing district may elect to levy the amount levied in dollars in the base year.
23 Any levy under this section must be specifically approved by a resolution approved
24 by the governing body of the taxing district. Before determining the levy limitation
25 under this section, the dollar amount levied in the base year must be:
 - 26 a. Reduced by an amount equal to the sum determined by application of the
27 base year's calculated mill rate for that taxing district to the final base year
28 taxable valuation of any taxable property and property exempt by local
29 discretion or charitable status which is not included in the taxing district for the
30 budget year but was included in the taxing district for the base year.

- b. Increased by an amount equal to the sum determined by the application of the base year's calculated mill rate for that taxing district to the final budget year taxable valuation of any taxable property or property exempt by local discretion or charitable status which was not included in the taxing district for the base year but which is included in the taxing district for the budget year.
 - c. Reduced to reflect expired temporary mill levy increases authorized by the electors of the taxing district.
 4. In addition to any other levy limitation factor under this section, a taxing district may increase its levy in dollars to reflect new or increased mill levies authorized by the legislative assembly or authorized by the electors of the taxing district.
 5. Under this section a taxing district may supersede any applicable mill levy limitations otherwise provided by law, or a taxing district may levy up to the mill levy limitations otherwise provided by law without reference to this section, but the provisions of this section do not apply to the following:
 - a. Any irrepealable tax to pay bonded indebtedness levied pursuant to section 16 of article X of the Constitution of North Dakota.
 - b. The one-mill levy for the state medical center authorized by section 10 of article X of the Constitution of North Dakota.
 6. A school district ~~choosing to~~ may not determine its levy authority under this section ~~may apply subsection 3 only to the amount in dollars levied for general fund purposes under section 57-15-14 or, if the levy in the base year included separate general fund and special fund levies under sections 57-15-14 and 57-15-14.2, the school district may apply subsection 3 to the total amount levied in dollars in the base year for both the general fund and special fund accounts. School district levies under any section other than section 57-15-14 may be made within applicable limitations but those levies are not subject to subsection 3.~~
 7. Optional levies under this section may be used by any city or county that has adopted a home rule charter unless the provisions of the charter supersede state laws related to property tax levy limitations.

SECTION 6. AMENDMENT. Section 57-15-14.2 of the North Dakota Century Code is amended and reenacted as follows:

57-15-14.2. ~~Mill levies requiring board action~~ — ~~Proceeds to~~ School district general fund account.

1. A school board of any school district may ~~levy an amount~~ maintain a general fund account sufficient to cover general expenses including the costs of the following:
 - a. Board and lodging for high school students as provided in section 15-34.2-06.
 - b. The teachers' retirement fund as provided in section 15-39.1-28.
 - c. Tuition for students in grades seven through twelve as provided in section 15-40.2-12.
 - d. Special education program as provided in section 15-59-08.
 - e. The establishment and maintenance of an insurance reserve fund for insurance purposes as provided in section 32-12.1-08.
 - f. A final judgment obtained against a school district.
 - g. The district's share of contribution to the old-age survivors' fund and matching contribution for the social security fund as provided by chapter 52-09 and to provide the district's share of contribution to the old-age survivors' fund and matching contribution for the social security fund for contracted employees of a multidistrict special education board.
 - h. The rental or leasing of buildings, property, or classroom space. Minimum state standards for health and safety applicable to school building construction shall apply to any rented or leased buildings, property, or classroom space.
 - i. Unemployment compensation benefits.
 - j. The removal of asbestos substances from school buildings or the abatement of asbestos substances in school buildings under any method approved by the United States environmental protection agency and any repair, replacement, or remodeling that results from such removal or abatement, any remodeling required to meet specifications set by the Americans with Disabilities Act accessibility guidelines for buildings and facilities as contained in the appendix to 28 CFR 36, any remodeling required to meet requirements set by the state fire marshal during the inspection of a public school, and for providing an alternative education program as provided in section 57-15-17.1.

- k. Participating in cooperative vocational education programs approved by the state board.
- l. Maintaining a vocational education program approved by the state board and established only for that school district.
- m. Paying the cost of purchasing, contracting, operating, and maintaining schoolbuses.
- n. Establishing and maintaining school library services.
- o. Equipping schoolbuses with two-way communications and central station equipment and providing for the installation and maintenance of such equipment.
- p. Establishing free public kindergartens in connection with the public schools of the district for the instruction of resident children below school age during the regular school term.
- q. Establishing, maintaining, and conducting a public recreation system.
- r. The district's share of contribution to finance an interdistrict cooperative agreement authorized by section 15-47-40.1.

~~2. This limitation does not apply to mill levies pursuant to subdivisions a, c, f, and j of subsection 1. If a school district maintained a levy to finance either its participation in a cooperative vocational education program or its sponsorship of single district vocational education programs prior to July 1, 1983, and the district discontinues its participation in or sponsorship of those vocational education programs, that district must reduce the proposed aggregated expenditure amount for which its general fund levy is used by the dollar amount raised by its prior levy for the funding of those programs.~~

~~3. All proceeds of any levy established pursuant to this section must be moneys placed in the school district's general fund account and may be expended to achieve the purposes for which the taxes authorized by this section are levied. Proceeds from levies established pursuant to this section and funds provided to school districts pursuant to chapter 15-40.1 may not be transferred to the building fund within the school district.~~

SECTION 7. AMENDMENT. Section 57-15-14.4 of the North Dakota Century Code is amended and reenacted as follows:

57-15-14.4. School district mill levies for bonded indebtedness ~~excepted~~ unlimited. ~~The tax levy limitations provided for in sections 57-15-14 and 57-15-14.2 do not apply to taxes~~ Taxes levied for the purpose of paying interest on a bonded debt of the district or levies made to pay and discharge the principal on a bonded debt at maturity are not subject to mill levy limitations.

SECTION 8. AMENDMENT. Section 57-16-03 of the North Dakota Century Code is amended and reenacted as follows:

57-16-03. Election to be held - Notice. The governing board of the school district thereupon has the power to call a special election for the purpose of voting upon the question of authorizing ~~an excess~~ a levy. Such election must be held not later than October first of the year in which the tax is to be levied and must be conducted as other elections of such school district, except as otherwise provided in this chapter. The notice of election, in addition to the usual requirements, must contain a statement of the question to be voted upon pursuant to the terms of this chapter and also must show:

1. The total amount of budgeted income and expenditures of such school district for the current fiscal year.
2. The estimated expenditures for the year for which the taxes are to be levied.
3. The amount of tax dollars ~~under the legal mill levy limit that~~ such school district is permitted to levy ~~by virtue of section 57-15-14~~.
4. The amount of tax dollars currently being levied by such school district.
5. The amount in dollars of the tax levy that such school district seeks authority to make.
6. The increase that will result in the amount of tax dollars levied if authorization for the levy requested is given.

SECTION 9. AMENDMENT. Section 57-16-06 of the North Dakota Century Code is amended and reenacted as follows:

57-16-06. Form of ballot. The ballot whereby a levy increase shall be requested must be substantially in the form as provided in subsection 1 if the school district is requesting authorization to raise the mill levy ~~from the legal limit to a levy in an excess of that amount, or~~

as provided in subsection 2 if the school district is requesting authorization to increase the amount of a levy which is already in excess of the legal limit:

1. Shall _____ school district levy taxes for the year (or years) _____, which shall exceed the legal limit by _____ percent, so that the taxes levied for this current year instead of being _____ dollars, which is the limit authorized by law, shall be _____ dollars:

Yes ☐

No ☐

2. Shall _____ school district, which is permitted to levy taxes of _____ dollars without excess levy authorization, and which is presently levying taxes of _____ dollars through an approved excess levy of _____ percent authorized in the year ____, be permitted to levy taxes for the current year, ____, of _____ dollars, exceeding the normal levy by _____ percent:

Yes ☐

No ☐

SECTION 10. AMENDMENT. Section 57-16-07 of the North Dakota Century Code is amended and reenacted as follows:

57-16-07. Certification of election results. If the percentage of the votes cast in favor of the question submitted is ~~that specified in section 57-15-14~~ a majority of the qualified electors of the district voting on the question, such excess levy is thereby authorized. In such case, the election board shall certify the result of such election to the county auditor within ten days after such election. The certificate must include a statement of the question as it appeared upon the ballot, together with the total number of votes cast upon the question, the number of votes cast in favor of it, and the number of votes cast against authorizing the excess levy. If the question proposed carried by the required majority, the county auditor shall extend such excess levy upon the tax lists of the school district.

SECTION 11. AMENDMENT. Section 57-28-26 of the North Dakota Century Code is amended and reenacted as follows:

1 **57-28-26. Disposition of rental revenue.** All the net revenue from leases of property
2 under this chapter and all federal payments for property acquired by the county by tax deed
3 must be paid into the county treasury. On or before January tenth in each year, the county
4 treasurer shall apportion these amounts received in the previous calendar year to the county,
5 city, school district, township, or other taxing districts in which the property is located in the
6 proportion that the previous year's general fund levy in the taxing district bears to the total of
7 general fund levies of all taxing districts in which the property is located. For purposes of the
8 apportionment under this section, the general fund levy of a school district is the amount
9 received by the school district under section 17 of this Act in the previous year or the amount
10 levied for general fund purposes.

11 **SECTION 12.** A new section to chapter 57-38 of the North Dakota Century Code is
12 created and enacted as follows:

13 **Separate and additional income tax for school district funding.** A separate and
14 additional tax is imposed for each taxable year upon income earned or received in that taxable
15 year by every resident and nonresident individual, estate, and trust filing a return for which
16 liability is determined under section 57-38-30.3. This tax is four and one-half percent of the
17 individual's, estate's, or trust's adjusted federal income tax liability for the taxable year as
18 determined under section 57-38-30.3. A separate and additional tax is imposed for each
19 taxable year upon income earned or received in that taxable year by every resident and
20 nonresident individual, estate, and trust filing a return for which tax liability is determined under
21 section 57-38-29. This tax is thirty-two and fourteen hundredths percent of liability as otherwise
22 determined under the return under section 57-38-29. All revenue from taxes under this section
23 must be transferred by the tax commissioner to the state treasurer and deposited in the school
24 district levy replacement fund.

25 **SECTION 13. AMENDMENT.** Section 57-38-55 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **57-38-55. Disposition of revenues.** As soon as practicable, after receipt thereof, the
28 tax commissioner shall turn over to the state treasurer all income taxes collected by the tax
29 commissioner. The state treasurer shall issue a receipt for such collections, which must be
30 made a permanent record in the office of the tax commissioner. ~~Such~~ Except as provided in

section 12 of this Act, such moneys must be deposited by the state treasurer to the credit of the general fund for the purpose of defraying the general expenses of the state government.

SECTION 14. A new section to chapter 57-39.2 of the North Dakota Century Code is created and enacted as follows:

Separate and additional sales tax. There is imposed a tax of two percent upon the gross receipts of retailers from all sales at retail within this state which are otherwise taxable under this chapter. The entire revenue from the tax imposed under this section must be deposited in the school district levy replacement fund and allocated as provided in section 17 of this Act.

SECTION 15. AMENDMENT. Section 57-39.2-26 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26. Allocation of revenue. ~~All~~ Except as provided in section 57-39.2-26.1 and section 17 of this Act, all moneys collected and received under this chapter must be paid into the state treasury and must be credited by the state treasurer to the general fund. Moneys deposited with the commissioner as security for the payment of tax, penalties, or costs due must be deposited and accounted for as provided in subsection 3 of section 57-39.2-12.

SECTION 16. AMENDMENT. Section 57-39.2-26.1 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.1. Allocation of revenues among political subdivisions and coal development fund. Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections, excluding collections allocated under subsection 3 and collections under section 17 of this Act, equal to forty percent of an amount determined by multiplying the quotient of one percent divided by the general sales tax rate under section 57-39.2-02.1, that was in effect when the taxes were collected, times the net sales, use, and motor vehicle excise tax collections under chapters 57-39.2, 57-40.2, and 57-40.3 must be deposited by the state treasurer in the state aid distribution fund. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax net revenues that must be deposited in the state aid distribution fund as determined under this section. Revenues deposited in the state aid distribution fund are provided as a standing and continuing appropriation and must be allocated as follows:

- 1 1. Fifty-three and seven-tenths percent of the revenues must be allocated to counties
2 in the first month after each quarterly period as provided in this subsection.
- 3 a. Ten and four-tenths percent of the amount must be allocated among counties
4 with a population of one hundred thousand or more, based upon the
5 proportion each such county's population bears to the total population of all
6 such counties.
- 7 b. Eighteen percent of the amount must be allocated among counties with a
8 population of forty thousand or more but fewer than one hundred thousand,
9 based upon the proportion each such county's population bears to the total
10 population of all such counties.
- 11 c. Twelve percent of the amount must be allocated among counties with a
12 population of twenty thousand or more but fewer than forty thousand, based
13 upon the proportion each such county's population bears to the total
14 population of all such counties.
- 15 d. Fourteen percent of the amount must be allocated among counties with a
16 population of ten thousand or more but fewer than twenty thousand, based
17 upon the proportion each such county's population bears to the total
18 population of all such counties.
- 19 e. Twenty-three and two-tenths percent of the amount must be allocated among
20 counties with a population of five thousand or more but fewer than ten
21 thousand, based upon the proportion each such county's population bears to
22 the total population of all such counties.
- 23 f. Eighteen and three-tenths percent of the amount must be allocated among
24 counties with a population of two thousand five hundred or more but fewer
25 than five thousand, based upon the proportion each such county's population
26 bears to the total population of all such counties.
- 27 g. Four and one-tenth percent of the amount must be allocated among counties
28 with a population of fewer than two thousand five hundred, based upon the
29 proportion each such county's population bears to the total population of all
30 such counties.

A county shall deposit all revenues received under this subsection in the county general fund. Each county shall reserve a portion of its allocation under this subsection for further distribution to, or expenditure on behalf of, townships, rural fire protection districts, rural ambulance districts, soil conservation districts, county recreation service districts, county hospital districts, the Garrison diversion conservancy district, the southwest water authority, and other taxing districts within the county, excluding school districts, cities, and taxing districts within cities. The share of the county allocation under this subsection to be distributed to a township must be equal to the percentage of the county share of state aid distribution fund allocations that township received during calendar year 1996. The governing boards of the county and township may agree to a different distribution.

2. Forty-six and three-tenths percent of the revenues must be allocated to cities in the first month after each quarterly period as provided in this subsection.

- a. Fifty-three and nine-tenths percent of the amount must be allocated among cities with a population of twenty thousand or more, based upon the proportion each such city's population bears to the total population of all such cities.
- b. Sixteen percent of the amount must be allocated among cities with a population of ten thousand or more but fewer than twenty thousand, based upon the proportion each such city's population bears to the total population of all such cities.
- c. Four and nine-tenths percent of the amount must be allocated among cities with a population of five thousand or more but fewer than ten thousand, based upon the proportion each such city's population bears to the total population of all such cities.
- d. Thirteen and one-tenth percent of the amount must be allocated among cities with a population of one thousand or more but fewer than five thousand, based upon the proportion each such city's population bears to the total population of all such cities.
- e. Six and four-tenths percent of the amount must be allocated among cities with a population of five hundred or more but fewer than one thousand, based

upon the proportion each such city's population bears to the total population of all such cities.

f. Three and five-tenths percent of the amount must be allocated among cities with a population of two hundred or more but fewer than five hundred, based upon the proportion each such city's population bears to the total population of all such cities.

g. Two and two-tenths percent of the amount must be allocated among cities with a population of fewer than two hundred, based upon the proportion each such city's population bears to the total population of all such cities.

A city shall deposit all revenues received under this subsection in the city general fund. Each city shall reserve a portion of its allocation under this subsection for further distribution to, or expenditure on behalf of, park districts and other taxing districts within the city, excluding school districts. The share of the city allocation under this subsection to be distributed to a park district must be equal to the percentage of the city share of state aid distribution fund allocations that park district received during calendar year 1996, up to a maximum of thirty percent. The governing boards of the city and park district may agree to a different distribution.

3. Notwithstanding any other provision of law, the sales and use tax collections on coal imposed by subsection 3 of section 57-39.2-02.1 and subsection 3 of section 57-40.2-02.1 must be deposited in the coal development fund established under section 57-61-10 and distributed under section 57-62-02.

SECTION 17. A new section to chapter 57-39.2 of the North Dakota Century Code is created and enacted as follows:

Allocation of school district levy replacement fund - Continuing appropriation. All moneys in the school district levy replacement fund are appropriated as a standing and continuing appropriation and must be allocated as follows:

1. For each school district in the state, a percentage must be determined which is the percentage that its general fund levy in dollars in taxable year 2000 is of all general fund levies in dollars of all school districts in the state in taxable year 2000.
2. Within fifteen days after the end of each month, the state treasurer shall allocate all moneys deposited in the school district levy replacement fund during the month

among school districts. Each school district is entitled to a percentage of each allocation under this subsection equal to the percentage determined for that school district under subsection 1.

3. Interest and earnings of the school district levy replacement fund must be considered to be deposited in the fund for purposes of subsection 2 as they accrue and must be allocated among school districts as provided in subsection 2.

4. A school district that receives moneys under this section shall deposit those moneys in its general fund.

SECTION 18. A new section to chapter 57-40.2 of the North Dakota Century Code is created and enacted as follows:

Separate and additional use tax. In addition to the tax otherwise imposed under this chapter, every event otherwise taxable under this chapter is subject to an additional tax at the rate of two percent of the purchase price of the property or the fair market value of the property at the time it was brought into this state. The entire revenue from the tax imposed under this section must be deposited in the school district levy replacement fund and allocated as provided in section 7 of this Act.

SECTION 19. REPEAL. Sections 15.1-09-47 and 57-15-14 of the North Dakota Century Code are repealed.

SECTION 20. EFFECTIVE DATE. Sections 1 through 13 and section 19 of this Act are effective for taxable years beginning after December 31, 2000. Sections 14, 15, 16, and 18 of this Act are effective for taxable events occurring after December 31, 2001. Section 17 of this Act is effective January 1, 2002.