

Introduced by

1 A BILL for an Act to amend and reenact section 57-39.2-26.1 of the North Dakota Century
2 Code, relating to allocation of sales, use, and motor vehicle excise tax collections among
3 counties.

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

5 **SECTION 1. AMENDMENT.** Section 57-39.2-26.1 of the North Dakota Century Code
6 is amended and reenacted as follows:

7 **57-39.2-26.1. (Effective through July 31, 2003) Allocation of revenues among**
8 **political subdivisions.** Notwithstanding any other provision of law, a portion of sales, use, and
9 motor vehicle excise tax collections, equal to forty percent of an amount determined by
10 multiplying the quotient of one percent divided by the general sales tax rate, that was in effect
11 when the taxes were collected, times the net sales, use, and motor vehicle excise tax
12 collections under chapters 57-39.2, 57-40.2, and 57-40.3 must be deposited by the state
13 treasurer in the state aid distribution fund. The state tax commissioner shall certify to the state
14 treasurer the portion of sales, use, and motor vehicle excise tax net revenues that must be
15 deposited in the state aid distribution fund as determined under this section. Revenues
16 deposited in the state aid distribution fund are provided as a standing and continuing
17 appropriation and must be allocated as follows:

18 1. Fifty-three and seven-tenths percent of the revenues must be allocated to counties
19 in the first month after each quarterly period as provided in this subsection.
20 a. Ten and four-tenths percent of the amount must be allocated among counties
21 with a population of one hundred thousand or more, based upon the
22 proportion each such county's population bears to the total population of all
23 such counties.

- b. Eighteen percent of the amount must be allocated among counties with a population of forty thousand or more but fewer than one hundred thousand, based upon the proportion each such county's population bears to the total population of all such counties.
- c. Twelve percent of the amount must be allocated among counties with a population of twenty thousand or more but fewer than forty thousand, based upon the proportion each such county's population bears to the total population of all such counties.
- d. Fourteen percent of the amount must be allocated among counties with a population of ten thousand or more but fewer than twenty thousand, based upon the proportion each such county's population bears to the total population of all such counties.
- e. Twenty-three and two-tenths percent of the amount must be allocated among counties with a population of five thousand or more but fewer than ten thousand, based upon the proportion each such county's population bears to the total population of all such counties.
- f. Eighteen and three-tenths percent of the amount must be allocated among counties with a population of two thousand five hundred or more but fewer than five thousand, based upon the proportion each such county's population bears to the total population of all such counties.
- g. Four and one-tenth percent of the amount must be allocated among counties with a population of fewer than two thousand five hundred, based upon the proportion each such county's population bears to the total population of all 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. The population figures used for the allocation of revenues to counties and cities under subsections 1 and 2 must be the population figures determined by the 1990 federal decennial census unless an official special census was conducted between the 1990 federal decennial census and January 1, 1997.

(Effective after July 31, 2003) Allocation of revenues among political subdivisions.

Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections, equal to forty percent of an amount determined by multiplying the quotient of one percent divided by the general sales tax rate, 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. Fifty-three and seven-tenths percent of the revenues must be allocated to counties in the first month after each quarterly period as provided in this subsection.
- a. ~~Ten and four tenths~~ Sixty-four percent of the amount must be allocated among the seventeen counties with a the greatest population ~~of one hundred thousand or more~~, in the following manner:

(1) Thirty-two percent of the amount must be allocated equally among the counties; and

(2) The remaining amount must be allocated based upon the proportion each such county's population bears to the total population of all such counties.

b. ~~Eighteen~~ Thirty-six percent of the amount must be allocated among all counties ~~with a population of forty thousand or more but fewer than one hundred thousand,~~ excluding the seventeen counties with the greatest population, in the following manner:

(1) Forty percent of the amount must be allocated equally among the counties; and

(2) The remaining amount must be allocated based upon the proportion each such county's population bears to the total population of all such counties.

~~e. Twelve percent of the amount must be allocated among counties with a population of twenty thousand or more but fewer than forty thousand, based upon the proportion each such county's population bears to the total population of all such counties.~~

~~d. Fourteen percent of the amount must be allocated among counties with a population of ten thousand or more but fewer than twenty thousand, based upon the proportion each such county's population bears to the total population of all such counties.~~

~~e. Twenty-three and two tenths percent of the amount must be allocated among counties with a population of five thousand or more but fewer than ten thousand, based upon the proportion each such county's population bears to the total population of all such counties.~~

~~f. Eighteen and three tenths percent of the amount must be allocated among counties with a population of two thousand five hundred or more but fewer than five thousand, based upon the proportion each such county's population bears to the total population of all such counties.~~

g. ~~Four and one-tenth percent of the amount must be allocated among counties with a population of fewer than two thousand five hundred, based upon the proportion each such county's population bears to the total population of all 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,

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

3 e. Six and four-tenths percent of the amount must be allocated among cities with
4 a population of five hundred or more but fewer than one thousand, based
5 upon the proportion each such city's population bears to the total population
6 of all such cities.

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

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

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