

**FIRST ENGROSSMENT
with House Amendments**Fifty-eighth
Legislative Assembly
of North Dakota**ENGROSSED SENATE BILL NO. 2337**

Introduced by

Senators Thane, Krauter, Wardner

Representatives Glassheim, N. Johnson, R. Kelsch

1 A BILL for an Act to create and enact a new section to chapter 57-39.2 of the North Dakota
2 Century Code, relating to an additional sales tax on lodging and restaurant sales for promotion
3 of the Lewis and Clark bicentennial celebration; to provide an appropriation; to provide an
4 effective date; and to provide an expiration date.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

6 **SECTION 1.** A new section to chapter 57-39.2 of the North Dakota Century Code is
7 created and enacted as follows:

8 **Separate and additional sales tax on lodging - Continuing appropriation.** A
9 separate and additional tax of one-fourth of one percent is imposed upon the gross receipts of
10 retailers from all sales at retail within this state from the leasing or renting of hotel, motel, or
11 tourist court accommodations for periods of fewer than thirty consecutive days and upon the
12 gross receipts of a restaurant from any sales of prepared food or beverages that are subject to
13 state sales taxes under this chapter, not including sales of alcoholic beverages for consumption
14 off the premises where purchased. The tax imposed under this section does not apply to
15 leasing or renting of bed and breakfast accommodations licensed under chapter 23-09.1.
16 Revenue from the tax imposed by this section must not be considered to be a portion of sales,
17 use, and motor vehicle excise tax collections under section 57-39.2-26.1.

18 **SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - TOURISM**
19 **DIVISION.** There is appropriated out of any moneys in the general fund in the state treasury,
20 not otherwise appropriated, the sum of \$2,900,000, or so much of the sum as may be
21 necessary, to the department of commerce division of tourism for the purpose of defraying the
22 expenses of out-of-state marketing relating to the Lewis and Clark bicentennial celebration, for
23 the biennium beginning July 1, 2003, and ending June 30, 2005. The amount spent pursuant
24 to this section may not exceed the amount of revenue generated from the separate and

1 additional tax imposed under section 1 of this Act, for the biennium beginning July 1, 2003, and
2 ending June 30, 2005.

3 **SECTION 3. EFFECTIVE DATE - EXPIRATION DATE.** Section 1 of this Act is
4 effective for taxable events occurring after June 30, 2003, and before July 1, 2007, and is
5 thereafter ineffective.