

SENATE BILL NO. 2307

Introduced by

Senators Robinson, Seymour, Wardner

Representatives F. Klein, Winrich

1 A BILL for an Act to create an enact a new section to chapter 57-36 of the North Dakota
2 Century Code, relating to matching grants for public health agencies for school health services
3 projects; to amend and reenact section 57-36-32 of the North Dakota Century Code, relating to
4 the rate of tax on the sale of cigarettes; to provide a continuing appropriation; and to provide an
5 effective date.

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

7 **SECTION 1. AMENDMENT.** Section 57-36-32 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-36-32. Separate and additional tax on the sale of cigarettes - Collection -**
10 **Allocation of revenue - Tax avoidance prohibited.** There is hereby levied and assessed and
11 there shall be collected by the state tax commissioner and paid to the state treasurer, upon all
12 cigarettes sold in this state, an additional tax, separate and apart from all other taxes, of
13 ~~seventeen~~ nineteen and one-half mills on each cigarette, to be collected as existing taxes on
14 cigarettes sold are, or hereafter may be, collected, by use of appropriate stamps and under
15 similar accounting procedures. No person, firm, corporation, or limited liability company shall
16 transport or bring or cause to be shipped into the state of North Dakota any cigarettes as
17 provided herein, other than for delivery to wholesalers in this state, without first paying the tax
18 thereon to the state tax commissioner. All of the moneys collected by the state treasurer under
19 this section ~~shall~~ must be credited to the state general fund, except the net revenue from two
20 and one-half mills per cigarette of the tax imposed under this section must be deposited in the
21 school health services grant fund.

22 **SECTION 2.** A new section to chapter 57-36 of the North Dakota Century Code is
23 created and enacted as follows:

1 **School health services grant fund - Continuing appropriation.** A continuing
2 appropriation is provided from the school health services grant fund in the state treasury to the
3 state department of health for the purpose of providing matching grants to a school or school
4 district to fund school health services projects. A school or school district seeking a school
5 health services project grant under the appropriation authority of this section must provide
6 matching funds equal to the amount of the grant. Matching funds under this section may come
7 from any source available to the school or school district, including funding from other political
8 subdivisions.

9 **SECTION 3. EFFECTIVE DATE.** Section 1 of this Act is effective for taxable events
10 occurring after June 30, 2003.