

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the office of the
2 state tax commissioner and for payment of state reimbursement under the homestead tax
3 credit; to provide for a transfer; to amend and reenact section 57-01-04 of the North Dakota
4 Century Code, relating to the tax commissioner's salary; to provide an exemption from the
5 provisions of section 54-44.1-11 of the North Dakota Century Code; and to provide for a report
6 to the legislative assembly.

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

8 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this
9 section represent the base level funding component appropriated to the state tax commissioner
10 in section 3 of this Act as follows:

11 Salaries and wages	\$13,466,823
12 Operating expenses	4,613,329
13 Capital assets	25,000
14 Homestead tax credit	4,500,000
15 Integrated tax system	<u>14,000,000</u>
16 Total all funds	\$36,605,152
17 Less estimated income	<u>14,120,000</u>
18 Total general fund - Base level	\$22,485,152

19 **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The
20 amounts identified in this section represent the funding adjustments or enhancements to the
21 base funding level for the state tax commissioner which are included in the appropriation in
22 section 3 of this Act as follows:

23 Salaries and wages	\$1,276,659
24 Operating expenses	1,417,485

1	Capital assets	(7,000)
2	Integrated tax system	<u>(8,643,298)</u>
3	Total all funds - Adjustments/enhancements	(\$5,956,154)
4	Less estimated income - Adjustments/enhancements	<u>(12,420,000)</u>
5	Total general fund - Adjustments/enhancements	\$6,463,846

6 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
7 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the state tax commissioner for the purpose of defraying the expenses of the
10 state tax commissioner and paying the state reimbursement under the homestead tax credit, for
11 the biennium beginning July 1, 2007, and ending June 30, 2009, as follows:

12	Salaries and wages	\$14,743,482
13	Operating expenses	6,030,814
14	Capital assets	18,000
15	Homestead tax credit	4,500,000
16	Integrated tax system	<u>5,356,702</u>
17	Total all funds	\$30,648,998
18	Less estimated income	<u>1,700,000</u>
19	Total general fund appropriation	\$28,948,998

20 **SECTION 4. TRANSFER.** There is transferred to the general fund in the state
21 treasury, out of motor vehicle fuel tax revenue, collected pursuant to section 57-43.1-02, the
22 sum of \$1,274,056 for the purpose of reimbursing the general fund for expenses incurred in the
23 collection of the motor vehicle fuels and special fuels taxes and the administration of these
24 taxes.

25 **SECTION 5. EXEMPTION.** The amount appropriated for the integrated tax system, as
26 contained in section 6 of chapter 6 of the 2005 Session Laws, is not subject to the provisions of
27 section 54-44.1-11 and the funds are available for continued work on the integrated tax system
28 during the biennium beginning July 1, 2007, and ending June 30, 2009.

29 **SECTION 6. AMENDMENT.** Section 57-01-04 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **57-01-04. Salary.** The annual salary of the state tax commissioner is ~~seventy-six~~
2 ~~eighty-three~~ thousand ~~seven hundred seventy-four~~ thirty-nine dollars through June 30, ~~2006~~
3 ~~2008~~, and ~~seventy-nine~~ eighty-six thousand ~~eight~~ three hundred ~~forty-five~~ sixty dollars
4 thereafter.

5 **SECTION 7. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
6 **SIXTY-FIRST LEGISLATIVE ASSEMBLY.** The total general fund appropriation line item in
7 section 3 of this Act includes \$5,356,702 for the one-time funding items identified in this
8 section. This amount is not a part of the agency's base budget to be used in preparing the
9 2009-11 executive budget. The state tax commissioner shall report to the appropriations
10 committees of the sixty-first legislative assembly on the use of this one-time funding for the
11 biennium beginning July 1, 2007, and ending June 30, 2009.

12 Principal and interest costs for the integrated tax processing system \$5,356,702