

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1006

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; to provide legislative intent;
6 and to provide for a report to the legislative assembly.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
9 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
11 other income, to the state tax commissioner for the purpose of defraying the expenses of the
12 state tax commissioner and paying the state reimbursement under the homestead tax credit, for
13 the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
14				
15				
16	Salaries and wages	\$14,728,637	\$1,674,572	\$16,403,209
17	Operating expenses	6,030,814	2,049,000	8,079,814
18	Capital assets	18,000	40,000	58,000
19	Homestead tax credit	8,104,000	(2,140,000)	5,964,000
20	Property tax relief administration	1,100,000	(1,100,000)	0
21	Integrated tax system repayment	<u>0</u>	<u>10,230,247</u>	<u>10,230,247</u>
22	Total all funds	\$29,981,451	\$10,753,819	\$40,735,270
23	Less special funds	<u>2,800,000</u>	<u>(2,604,000)</u>	<u>196,000</u>

1	Total general fund	\$27,181,451	\$13,357,819	\$40,539,270
2	Full-time equivalent positions	133.00	0.00	133.00

3 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

4 **SIXTY-SECOND LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time
5 funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the
6 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

7	<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
8	Integrated tax system loan payment	\$5,356,702	\$10,230,247
9	On-site support-GenTax	0	1,234,000
10	Oil and gas integration to GenTax	<u>0</u>	<u>1,500,000</u>
11	Total all funds	\$5,356,702	\$12,964,247
12	Total special funds	<u>0</u>	<u>100,000</u>
13	Total general fund	\$5,356,702	\$12,864,247

14 The 2009-11 one-time funding amounts are not a part of the entity's base budget for the
15 2011-13 biennium. The tax commissioner shall report to the appropriations committees of the
16 sixty-second legislative assembly on the use of this one-time funding for the biennium
17 beginning July 1, 2009, and ending June 30, 2011.

18 **SECTION 3. TRANSFER.** There is transferred to the general fund in the state
19 treasury, out of motor vehicle fuel tax revenue, collected pursuant to section 57-43.1-02, the
20 sum of \$1,288,000 for the purpose of reimbursing the general fund for expenses incurred in the
21 collection of the motor vehicle fuels and special fuels taxes and the administration of these
22 taxes.

23 **SECTION 4. LEGISLATIVE INTENT - INDIVIDUAL INCOME TAX SIMPLIFICATION.**

24 It is the intent of the sixty-first legislative assembly, as it considers proposals to offer individual
25 income tax relief through tax rate reductions, that it work toward restoring the simplicity
26 originally intended for tax form ND-1 by eliminating or reducing the number of tax deductions
27 and credits in a way that minimizes any negative impact for those individuals who currently
28 claim those tax deductions and credits.

29 **SECTION 5. EXEMPTION.** The amount appropriated for the integrated tax system, as
30 contained in section 1 of this Act, is not subject to the provisions of section 54-44.1-11 and the

1 funds are available for continued work on the integrated tax system during the biennium
2 beginning July 1, 2009, and ending June 30, 2011.

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

5 **57-01-04. Salary.** The annual salary of the state tax commissioner is ~~eighty-three~~
6 ~~ninety~~ thousand ~~thirty-nine~~ six hundred seventy-eight dollars through June 30, ~~2008~~ 2010, and
7 ~~eighty-six~~ ninety-five thousand ~~three~~ two hundred ~~sixty~~ twelve dollars thereafter.