

**SENATE BILL NO. 2163  
with House Amendments  
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Sixty-third  
Legislative Assembly  
of North Dakota

Introduced by

Senators Grindberg, Oehlke, Nelson

Representatives Hatlestad, Hawken, Delmore

1 A BILL for an Act to amend and reenact section 53-06.1-12 of the North Dakota Century Code,  
2 relating to gaming taxes.

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

4 **SECTION 1. AMENDMENT.** Section 53-06.1-12 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **53-06.1-12. Gaming tax - Deposits and allocations.**

7 1. A gaming tax is imposed on the total gross proceeds received by a licensed  
8 organization in a quarter and it must be computed and paid to the attorney general on  
9 a quarterly basis on the tax return. This tax must be paid from adjusted gross  
10 proceeds and is not part of the allowable expenses. ~~The tax rate for~~For a licensed  
11 organization with gross proceeds:

12 a. ~~Not exceeding five hundred thousand dollars is one percent of gross proceeds.~~

13 b. ~~Exceeding five hundred thousand dollars but not exceeding one million dollars~~  
14 the tax is one and one-half percent of gross proceeds.

15 e.b. Exceeding one million dollars but not exceeding one million five hundred  
16 thousand dollars ~~is two percent~~the tax is ten thousand dollars plus two percent of  
17 gross proceeds exceeding one million dollars.

18 d.c. Exceeding one million five hundred thousand dollars ~~is two and one-half~~the tax is  
19 twenty thousand dollars plus two and one-half percent of gross proceeds  
20 exceeding one million five hundred thousand dollars.

21 2. The tax must be paid to the attorney general at the time tax returns are filed.

22 3. Except as provided in subsection 4, the attorney general shall deposit gaming ~~and~~  
23 ~~excise~~ taxes, monetary fines, and interest and penalties collected in the general fund  
24 in the state treasury.

- 1           4.   The attorney general shall deposit six and three-tenths percent of the total taxes, less  
2           refunds, collected under this section into a gaming ~~and~~ ~~excise~~ tax allocation fund.  
3           Pursuant to legislative appropriation, moneys in the fund must be distributed quarterly  
4           to cities and counties in proportion to the taxes collected under this section from  
5           licensed organizations conducting games within each city, for sites within city limits, or  
6           within each county, for sites outside city limits. If a city or county allocation under this  
7           subsection is less than two hundred dollars, that city or county is not entitled to receive  
8           a payment for the quarter and the undistributed amount must be included in the total  
9           amount to be distributed to other cities and counties for the quarter.