

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Tentative Agenda

POLITICAL SUBDIVISION TAXATION COMMITTEE

Wednesday, June 29, 2016
Roughrider Room, State Capitol
Bismarck, North Dakota

- 9:00 a.m. Call to order
Roll call
Consideration of the minutes of the April 26, 2016, meeting
- CONTRACTOR SALES AND USE TAX STUDY**
- 9:05 a.m. Committee discussion and directives on a bill draft [17.0009.02000] relating to a sales and use tax exemption for items purchased or installed by a contractor on behalf of an exempt entity and a bill draft [17.0055.01000] relating to a use tax exemption for items purchased by an exempt entity and installed by a contractor
- SOCIAL SERVICES FINANCING STUDY**
- 9:20 a.m. Presentation by Mr. Joe Morrissette, Member, County Social Services Finance Working Group and Deputy Tax Commissioner, Tax Department, of an update on the activities of the working group
- 9:40 a.m. Comments by interested persons
- 10:00 a.m. Committee discussion and directives
- 10:15 a.m. Break
- ECONOMIC DEVELOPMENT TAX INCENTIVE STUDY**
- 10:30 a.m. Presentation by the Legislative Council staff of a bill draft [17.0077.02000] relating to a standard definition of primary sector business
- 10:40 a.m. Comments by interested persons
- 10:50 a.m. Committee discussion and directives
- 11:00 a.m. Presentation by the Legislative Council staff of an updated evaluation chart and background memorandums to track the committee's progress in its study of economic development tax incentives
- 11:15 a.m. Presentation by Mr. Justin Dever, Co-Deputy Commissioner, Department of Commerce, regarding a return on investment analysis of incentives selected for review by the committee
- 11:40 a.m. Presentation by Mr. Paul Lucy, Director, Economic Development and Finance Division, Department of Commerce, regarding a comparison of the agricultural commodity processing facility investment tax credit to the soybean and canola crushing facility equipment credit
- 12:00 noon Luncheon recess
- 1:00 p.m. Presentation by the Legislative Council staff of a bill draft [17.0168.01000] to repeal the income tax credit for biodiesel or green diesel production or soybean and canola crushing facility equipment costs
- 1:05 p.m. Comments by interested persons
- 1:15 p.m. Committee discussion and directives
- 1:25 p.m. Presentation by the Legislative Council staff of a bill draft [17.0167.01000] to repeal the certified nonprofit development corporation income tax credit

- 1:30 p.m. Comments by interested persons
- 1:40 p.m. Committee discussion and directives
- 1:50 p.m. Presentation by the Legislative Council staff of a bill draft [17.0162.01000] to repeal the wage and salary credit
- 1:55 p.m. Comments by interested persons
- 2:05 p.m. Committee discussion and directives
- 2:15 p.m. Break
- 2:30 p.m. Presentation by the Legislative Council staff of a bill draft [17.0163.01000] to repeal the microbusiness income tax credit
- 2:35 p.m. Comments by interested persons
- 2:45 p.m. Committee discussion and directives
- 2:55 p.m. Comments by interested persons regarding the following economic development tax incentives:
- Agricultural commodity processing facility investment tax credit
 - Geothermal, solar, wind, and biomass energy device tax credit
 - Internship program credit
 - Automation tax credit
 - New jobs credit from income tax withholding
 - New or expanding business income tax exemption
 - Renaissance zone income tax credits and exemptions
 - Research expense tax credit
 - Telecommunications infrastructure sales tax exemption
 - Workforce recruitment credit
- 3:50 p.m. Committee discussion
- 4:00 p.m. Presentation by the Legislative Council staff of a bill draft [17.0158.01000] to repeal the angel fund investment tax credit and expand the seed capital investment tax credit
- 4:10 p.m. Presentation by the Legislative Council staff of a bill draft [17.0110.01000] to modify certification and reporting requirements related to the angel fund investment tax credit and a memorandum outlining additional options for modifying the credit
- 4:20 p.m. Discussion of the angel fund investment tax credit by a panel consisting of representatives from the Department of Commerce, the Tax Department, and various angel funds
- 4:40 p.m. Comments by interested persons
- 4:50 p.m. Committee discussion and directives
- 5:00 p.m. Adjourn

Committee Members

Representatives: Jason Dockter (Chairman), Larry Bellew, Mark A. Dosch, Craig Headland, Kathy Hogan, Lawrence R. Klemin, Ben Koppelman, William E. Kretschmar, Mike Lefor, Alisa Mitskog, Gail Mooney, Naomi Muscha, Mike Nathe, Nathan Toman, Robin Weisz

Senators: Brad Bekkedahl, Randall A. Burckhard, Dwight Cook, Jim Dotzenrod, Tim Mathern, Jessica Unruh

Staff Contact: Emily L. Thompson, Counsel