

Introduced by

Government and Veterans Affairs Committee

(At the request of the Aeronautics Commission)

1 A BILL for an Act to amend and reenact sections 2-05-22, 57-40.5-09, and 57-40.5-11,
2 subsection 1 of section 57-43.3-02, and subsection 1 of section 57-43.3-03 and section
3 57-43.3-07 of the North Dakota Century Code, relating to the aeronautics commission special
4 fund, aircraft excise tax, and aviation fuel tax; and to repeal sections 57-43.3-04 and 57-43.3-06
5 of the North Dakota Century Code, relating to the aviation fuel tax.

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

7 **SECTION 1. AMENDMENT.** Section 2-05-22 of the North Dakota Century Code is amended
8 and reenacted as follows:

9 **2-05-22. Interest- Aeronautics commission special fund.**

- 10 1. A special fund known as the aeronautics commission special fund is established.
- 11 2. The aeronautics commission special fund must be administered and expended by the
12 commission for the following:
- 13 a. Administration of the commission.
- 14 b. Airport construction and improvement projects, including:
- 15 (1) Airport administration and terminal buildings, hangars, and landing strips for
16 aircraft;
- 17 (2) Purchase of land for airports or landing fields and easements for such
18 facilities;
- 19 (3) Maintenance and maintenance equipment; and
- 20 (4) Clearing of sites, marking, lighting and engineering, and navigational aids.
- 21 c. Administration, construction, reconstruction, repair, maintenance, and operation
22 of airports near communities, recreational areas, or parks, including the
23 international peace garden airport, and for necessary expenses and purchases of
24 land and easements for such facilities.

1 d. Expenses related to the duties of the commission as set out in section 2-05-05,
2 including the creation and distribution of education grants.

3 3. All money derived from the investment of the aeronautics commission special fund or
4 any portion of the fund, including aircraft excise tax funds collected and received under
5 chapter 57-40.5, must be credited to the aeronautics commission special fund.

6 **SECTION 2. AMENDMENT.** Section 57-40.5-09 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **57-40.5-09. Allocation of revenue.**

9 All moneys collected and received under this chapter must be transmitted monthly by the
10 director to the aeronautics commission special fund. ~~These funds may be used for airport-~~
11 ~~construction or improvement projects as approved by the aeronautics commission in an amount~~
12 ~~as allowed by the commission.~~

13 **SECTION 3. AMENDMENT.** Section 57-40.5-11 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **57-40.5-11. Director to act as agent of tax commissioner in administration of aircraft**
16 **excise tax - Provisions of motor vehicle excise tax applicable.**

17 The state tax commissioner is charged with the administration of this chapter. The
18 provisions of chapter 57-40.3, pertaining to the administration of the motor vehicle excise tax,
19 including provisions for the audit and assessment, not in conflict with the provisions of this
20 chapter, govern the administration of the tax levied in this chapter. The tax commissioner may
21 prescribe all rules, not inconsistent with the provisions of this chapter, for the administration of
22 this chapter. The collection of the aircraft excise tax must be carried out by the director who
23 shall act as the agent of the state tax commissioner and who is subject to all rules, not
24 inconsistent with the provisions of this chapter, that may be prescribed by the tax commissioner.
25 ~~The provisions of this chapter may not be construed to prevent the collection of aircraft excise-~~
26 ~~taxes by the tax commissioner in the course of any audit carried on by the tax commissioner.~~

27 **SECTION 4. AMENDMENT.** Subsection 1 of section 57-43.3-02 of the North Dakota
28 Century Code is amended and reenacted as follows:

29 1. ~~Except as otherwise provided in this chapter, a~~ tax of eight cents per gallon
30 [3.79 liters] is imposed on all aviation fuel sold or used in this state.

1 **SECTION 5. AMENDMENT.** Subsection 1 of section 57-43.3-03 of the North Dakota
2 Century Code is amended and reenacted as follows:

3 1. A consumer who paid the tax imposed by section 57-43.3-02 may file a claim for a
4 refund with the commissioner pursuant to the refund provisions in chapter 57-43.1.
5 ~~The tax imposed by section 57-43.3-04 must be deducted from the refund.~~

6 **SECTION 6. AMENDMENT.** Section 57-43.3-07 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **57-43.3-07. Allocation of unclaimed refund revenue - Appropriation.**

9 The tax collected by the commissioner pursuant to section 57-43.3-02, upon which no
10 refund is claimed, and those revenues remaining as unclaimed refunds must be deposited in
11 the office of the state treasurer, who shall deposit suchthe moneys in ~~a special fund known as~~
12 ~~the state aeronautics commission special fund.~~ These funds are appropriated to the commission
13 ~~and must be disbursed by warrant check prepared by the office of management and budget~~
14 ~~upon vouchers submitted by the commission and approved by the office of management and~~
15 ~~budget and must be administered and expended by the commission for administration,~~
16 ~~construction, reconstruction, repair, maintenance, and operation of airports near communities,~~
17 ~~recreational areas, or parks including the international peace garden airport and for necessary~~
18 ~~expenses and for the purchase of land and easements for such facilities.~~

19 **SECTION 7. REPEAL.** Sections 57-43.3-04 and 57-43.3-06 of the North Dakota Century
20 Code are repealed.