



NORTH DAKOTA SENATE

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360



Senator Jordan Kannianen

District 4
8011 51st Street NW
Stanley, ND 58784-9562
C: 701-421-8813
jkannianen@nd.gov

COMMITTEES:

Finance and Taxation
Political Subdivisions

Testimony on SB 2318

Jordan Kannianen, District 4 Senator

Last session, the legislature passed SB 2257, which established a template and the authorization for state/tribal tax agreements for alcohol wholesale and gross receipts taxes. The sharing split would be based on the proportionate enrolled member population within the boundaries of the given reservation.

In the more than year and a half since this law took effect, no agreements have materialized from the template that's in place. The two main reasons for this are disagreements from the tribes over the sharing split and regulatory authority. This bill establishes the wishes of the tribes on both issues.

The proportionate split is changed to an 80/20 split in favor of the tribes. This follows similar splits as on other taxes, and it simplifies things for the tax department.

The regulatory issue is addressed in the bill by allowing for business and alcohol licensing by the tribes. An amendment, supported by the retail establishments and wholesale providers, is also submitted that would remove this regulatory authority from the bill.

Thank you.