

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1511

Page 1, line 1, replace the second "and" with a comma

Page 1, line 2, after "57-40.2-03.3" insert ", and a new section to chapter 57-61"

Page 1, line 4, after "feedstock" insert "and severance and sales and use tax exemptions for coal used in a coal processing facility that utilizes coal as a feedstock"

Page 1, line 18, after "property" insert "other than electricity, water, gas, or steam"

Page 1, line 18, after the underscored comma insert "including"

Page 1, line 18, replace "containing" with "from which"

Page 1, line 19, remove ", or critical minerals or rare earth"

Page 1, line 20, replace "elements" with "have been extracted"

Page 2, line 1, remove "natural"

Page 2, remove line 8

Page 2, after line 15, insert:

"SECTION 3. A new section to chapter 57-61 of the North Dakota Century Code is created and enacted as follows:

Severance and sales and use tax exemptions for coal used in a coal processing facility that utilizes coal as a feedstock.

1. Severance tax may not be imposed on the first one million tons [907,184.74 metric tons] of coal per year used as a feedstock by a coal processing facility that utilizes coal as a feedstock in this state as defined in section 1 of this Act.
2. The owner or operator of a coal processing facility that utilizes coal as a feedstock shall certify to the coal mine owner or operator the amount of coal measured in tons:
 - a. Purchased for use as a feedstock by the facility.
 - b. Used as a feedstock by the facility for extraction of critical minerals or rare earth elements from lignite coal.
 - c. Used as a feedstock by the facility to create tangible personal property other than electricity, water, gas, or steam from lignite coal, including lignite coal from which critical minerals or rare earth elements have been extracted.
 - d. Resold or used in any manner other than as a feedstock at the facility, including use in an electrical generating plant or coal gasification facility.

3. The coal mine owner or operator shall report the amounts certified under subsection 2. The amount of coal certified under subdivision d of subsection 2 is not eligible for the exemption in this section. The coal mine owner or operator shall report the amount of coal certified under subdivision d of subsection 2 on its return for the month following the month of certification and shall remit the severance tax due with the return. The tax commissioner shall waive penalty and interest under section 57-61-05 for severance tax remitted in accordance with this subsection."

Renumber accordingly