

**HOUSE BILL NO. 1487
with Senate Amendments**

Fifty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1487

Introduced by

Representatives Belter, Brandenburg

1 A BILL for an Act to amend and reenact subsection 2 of section 57-39.2-02.1 and subsection 2
2 of section 57-40.2-02.1 of the North Dakota Century Code, relating to the rate of sales and use
3 tax for farm machinery, farm machinery repair parts, and irrigation equipment used exclusively
4 for agricultural purposes; to provide an effective date; to provide an expiration date; and to
5 declare an emergency.

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

7 **SECTION 1. AMENDMENT.** Subsection 2 of section 57-39.2-02.1 of the 1997

8 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- 9 2. There is imposed a tax of three percent upon the gross receipts of retailers from all
10 sales at retail of mobile homes used for residential or business purposes, except
11 as provided in subsection 35 of section 57-39.2-04, and of new farm machinery;
12 ~~farm machinery repair parts~~, and new irrigation equipment used exclusively for
13 agricultural purposes, including the leasing or renting of farm machinery and
14 irrigation equipment used exclusively for agricultural purposes within this state to
15 consumers or users. There is imposed a tax of one and one-half percent upon the
16 gross receipts of retailers from all sales at retail of used farm machinery, farm
17 machinery repair parts, and used irrigation equipment used exclusively for
18 agricultural purposes, including the leasing or renting of used farm machinery and
19 used irrigation equipment used exclusively for agricultural purposes within this
20 state to consumers or users. For purposes of this subsection, "used" means:
21 a. Tax under this chapter has been paid on a previous sale;
22 b. Originally purchased outside this state and previously owned by a farmer; or
23 c. Has been under lease or rental for three years or more.

1 **SECTION 2. AMENDMENT.** Subsection 2 of section 57-40.2-02.1 of the 1997
2 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- 3 2. An excise tax is imposed on the storage, use, or consumption in this state of
4 mobile homes used for residential or business purposes, except as provided in
5 subsection 19 of section 57-40.2-04, and of new farm machinery, ~~farm machinery~~
6 ~~repair parts~~, and new irrigation equipment used exclusively for agricultural
7 purposes purchased at retail for storage, use, or consumption in this state at the
8 rate of three percent of the purchase price thereof. Except as limited by section
9 57-40.2-11, and except as provided in subsection 35 of section 57-39.2-04, an
10 excise tax is imposed on the storage, use, or consumption in this state of mobile
11 homes used for residential or business purposes and of new farm machinery, ~~farm~~
12 ~~machinery repair parts~~, and new irrigation equipment used exclusively for
13 agricultural purposes not originally purchased for storage, use, or consumption in
14 this state at the rate of three percent of the fair market value of mobile homes used
15 for residential or business purposes and of new farm machinery, ~~farm machinery~~
16 ~~repair parts~~, and new irrigation equipment used exclusively for agricultural
17 purposes at the time it was brought into this state. An excise tax is imposed on the
18 storage, use, or consumption in this state of used farm machinery, farm machinery
19 repair parts, and used irrigation equipment used exclusively for agricultural
20 purposes purchased at retail for storage, use, or consumption in this state at the
21 rate of one and one-half percent of the purchase price thereof. Except as limited
22 by section 57-40.2-11, an excise tax is imposed on the storage, use, or
23 consumption in this state of used farm machinery, farm machinery repair parts,
24 and used irrigation equipment used exclusively for agricultural purposes not
25 originally purchased for storage, use, or consumption in this state at the rate of one
26 and one-half percent of the fair market value of the used farm machinery, farm
27 machinery repair parts, and used irrigation equipment used exclusively for
28 agricultural purposes at the time it was brought into this state. For purposes of this
29 subsection, "used" means:
30 a. Tax under this chapter has been paid on a previous sale;
31 b. Originally purchased outside this state and previously owned by a farmer; or

1 c. Has been under lease or rental for three years or more.

2 **SECTION 3. EFFECTIVE DATE - EXPIRATION DATE.** This Act is effective for
3 taxable events occurring after April 30, 1999, and before July 1, 2001, and after that date is
4 ineffective.

5 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.