

**SENATE BILL NO. 2234**

Introduced by

Senators Kroeplin, Kelsh, Klein

Representatives Brusegaard, Schmidt

1 A BILL for an Act to amend and reenact section 53-06.1-12 of the North Dakota Century Code,  
2 relating to the excise tax for pull tabs.

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

4 **SECTION 1. AMENDMENT.** Section 53-06.1-12 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **53-06.1-12. Gaming and excise taxes - Exception - Deposits.**

- 7 1. A gaming tax is imposed on the total adjusted gross proceeds earned by a licensed  
8 organization in a quarter and it must be computed and paid to the attorney general  
9 on a quarterly basis on the tax return. This tax must be paid from adjusted gross  
10 proceeds and is not part of the allowable expenses. The tax rates are:
- 11 a. On adjusted gross proceeds not exceeding two hundred thousand dollars, a  
12 tax of five percent.
  - 13 b. On adjusted gross proceeds exceeding two hundred thousand dollars but not  
14 exceeding four hundred thousand dollars, a tax of ten percent.
  - 15 c. On adjusted gross proceeds exceeding four hundred thousand dollars but not  
16 exceeding six hundred thousand dollars, a tax of fifteen percent.
  - 17 d. On adjusted gross proceeds exceeding six hundred thousand dollars, a tax of  
18 twenty percent.
- 19 2. ~~In~~ Except as provided in subsection 3, in addition to any other tax provided by law  
20 and in place of sales or use taxes, there is imposed an excise tax of four and  
21 one-half percent on the gross proceeds from the sale at retail of pull tabs to a final  
22 ~~user~~ users. This includes pull tabs provided to a player in exchange for redeemed  
23 winning pull tabs. The tax must be paid to the attorney general when tax returns  
24 are filed.

- 1           3.   For organizations whose gross proceeds do not exceed four thousand dollars per  
2                   calendar quarter, no excise tax may be imposed on the gross proceeds from the  
3                   sale at retail of pull tabs to final users.
- 4           4.   The state treasurer shall deposit gaming and excise taxes, monetary fines, and  
5                   interest and penalties collected in the general fund in the state treasury.