

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1006

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the office of the
2 state tax commissioner and for payment of state reimbursement under the homestead tax
3 credit; to provide for a transfer; to amend and reenact section 57-01-04 of the North Dakota
4 Century Code, relating to the tax commissioner's salary; to authorize the tax commissioner to
5 enter into a financing agreement to establish an integrated tax system; and to declare an
6 emergency.

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

8 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this
9 section represent the base level funding component appropriated to the state tax commissioner
10 in section 3 of this Act as follows:

11 Salaries and wages	\$12,806,112
12 Operating expenses	4,438,627
13 Capital assets	25,000
14 Homestead tax credit	<u>4,000,000</u>
15 Total all funds	\$21,269,739
16 Less estimated income	<u>115,044</u>
17 Total general fund - Base level	\$21,154,695

18 **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The
19 amounts identified in this section represent the funding adjustments or enhancements to the
20 base funding level for the state tax commissioner which are included in the appropriation in
21 section 3 of this Act as follows:

22 Salaries and wages	\$568,477
23 Operating expenses	<u>174,702</u>
24 Total all funds - Adjustments/enhancements	\$743,179

1	Less estimated income - Adjustments/enhancements	<u>4,956</u>
2	Total general fund - Adjustments/enhancements	\$738,223

3 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the
4 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
5 treasury, not otherwise appropriated, and from special funds derived from federal funds and
6 other income, to the state tax commissioner for the purpose of defraying the expenses of the
7 state tax commissioner and paying the state reimbursement under the homestead tax credit, for
8 the biennium beginning July 1, 2005, and ending June 30, 2007, as follows:

9	Salaries and wages	\$13,374,589
10	Operating expenses	4,613,329
11	Capital assets	25,000
12	Homestead tax credit	<u>4,000,000</u>
13	Total all funds	\$22,012,918
14	Less estimated income	<u>120,000</u>
15	Total general fund appropriation	\$21,892,918

16 **SECTION 4. TRANSFER.** There is transferred to the general fund in the state
17 treasury, out of motor vehicle fuel tax revenue, collected pursuant to section 57-43.1-02, the
18 sum of \$1,400,000 for the purpose of reimbursing the general fund for expenses incurred in the
19 collection of the motor vehicle fuels and special fuels taxes and the administration of these
20 taxes.

21 **SECTION 5. AMENDMENT.** Section 57-01-04 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **57-01-04. Salary.** The annual salary of the state tax commissioner is ~~sixty-eight~~
24 ~~thousand two hundred seventy seven dollars through December 31, 2001, seventy two~~
25 ~~seventy-six thousand three hundred seventy four~~ thirty-six dollars through June 30, ~~2002~~ 2006,
26 and ~~seventy-three~~ seventy-nine thousand ~~eight hundred twenty-one~~ seventy-seven dollars
27 thereafter.

28 **SECTION 6. FINANCING AGREEMENT AUTHORIZATION - APPROPRIATION.** The
29 state tax commissioner is authorized, with the advice of the chief information officer of the state,
30 to purchase, finance the purchase, and lease equipment, software, and services, as may be
31 determined necessary by the state tax commissioner, to establish an integrated tax processing

1 system for use by the office of the state tax commissioner. The principal amount of any
2 financing agreement entered into by the state tax commissioner may not exceed \$14,000,000
3 and the proceeds acquired from any financing agreement must be used for this stated purpose
4 and are appropriated for the period beginning with the effective date of this Act and ending
5 June 30, 2007. During the biennium beginning July 1, 2007, and ending June 30, 2009, the
6 state tax commissioner shall commence repayment of any financing agreement entered into,
7 and repayment amounts, including principal and interest, must be incorporated in the state tax
8 commissioner's biennial budget requests to the legislative assembly.

9 **SECTION 7. EMERGENCY.** Section 6 of this Act is declared to be an emergency
10 measure.