

Sixtieth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1450

Introduced by

Representatives Wrangham, Bellew, Thoreson

Senator Krauter

1 A BILL for an Act to amend and reenact section 57-01-02.1 of the North Dakota Century Code,
2 relating to refunds by retailers of home rule sales and use taxes; and to provide an effective
3 date.

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

5 **SECTION 1. AMENDMENT.** Section 57-01-02.1 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-01-02.1. Tax collection agreements with home rule cities or counties -**

8 **Limitations on city or county authority.**

- 9 1. The governing body of any incorporated city that has adopted the home rule
10 provisions of chapter 40-05.1 or of any county which has adopted the home rule
11 provisions of chapter 11-09.1 must enter a contract with the tax commissioner
12 giving the tax commissioner authority to collect any sales, use, or gross receipts
13 taxes assessed by such incorporated city or county.
- 14 2. The tax commissioner shall deposit with the state treasurer all money collected
15 under a contract under this section and accompany each remittance with a
16 certificate showing the city or county for which it was collected. The state
17 treasurer, monthly, shall pay to the auditors of cities or counties the money to
18 which cities or counties are entitled under a contract under this section.
- 19 3. Contracts under this section shall provide for an agreed amount to be allowed the
20 tax commissioner for services. Any sums collected for services rendered must be
21 paid to the state treasurer for deposit in the general fund.
- 22 4. A person required to collect and remit sales or use taxes may not be required to
23 register with, file returns with, or remit funds to anyone other than the tax
24 commissioner or the tax commissioner's authorized agent. A city or county may

1 not conduct an independent sales or use tax audit of a seller registered under the
2 agreement adopted under chapter 57-39.4.

3 5. A retailer shall collect city and county sales and use taxes without regard to any
4 cap or threshold on purchases provided by city or county ordinance, resolution, or
5 charter and a taxpayer is eligible for refund from the tax commissioner of the
6 difference between the amount of city and county sales, use, or gross receipts
7 taxes paid and the amount that would have been due by application of a cap or
8 threshold provided by city or county ordinance, resolution, or charter. At the time
9 of purchase, a retailer may provide to the purchaser a credit or refund equal to the
10 refund amount eligible from the tax commissioner under this section, provided the
11 total tax identified on all invoices, cash register receipts, or other sales
12 documentation is an amount equal to the total tax calculated less the refund or
13 credit provided.

14 6. The tax commissioner may adopt rules to implement this section.

15 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable events occurring after
16 June 30, 2007.