

**Sixty-first Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 6, 2009**

HOUSE BILL NO. 1006
(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the office of the state tax commissioner and for payment of state reimbursement under the homestead tax credit; to provide for a transfer; to amend and reenact section 57-01-04 of the North Dakota Century Code, relating to the tax commissioner's salary; to provide an exemption from the provisions of section 54-44.1-11 of the North Dakota Century Code; to provide legislative intent; and to provide for a report to the legislative assembly.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state tax commissioner for the purpose of defraying the expenses of the state tax commissioner and paying the state reimbursement under the homestead tax credit, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$14,728,637	\$2,181,888	\$16,910,525
Operating expenses	6,030,814	2,049,000	8,079,814
Capital assets	18,000	40,000	58,000
Homestead tax credit	8,104,000	(2,140,000)	5,964,000
Property tax relief administration	1,100,000	(1,100,000)	0
Integrated tax system repayment	0	10,230,247	10,230,247
Total all funds	\$29,981,451	\$11,261,135	\$41,242,586
Less special funds	2,800,000	(2,604,000)	196,000
Total general fund	\$27,181,451	\$13,865,135	\$41,046,586
Full-time equivalent positions	133.00	0.00	133.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
Integrated tax system loan payment	\$5,356,702	\$10,230,247
On-site support-GenTax	0	1,234,000
Oil and gas integration to GenTax	0	1,500,000
Total all funds	\$5,356,702	\$12,964,247
Total special funds	0	100,000
Total general fund	\$5,356,702	\$12,864,247

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The tax commissioner shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. TRANSFER. There is transferred to the general fund in the state treasury, out of motor vehicle fuel tax revenue, collected pursuant to section 57-43.1-02, the sum of \$1,288,000 for the purpose of reimbursing the general fund for expenses incurred in the collection of the motor vehicle fuels and special fuels taxes and the administration of these taxes.

SECTION 4. LEGISLATIVE INTENT - INDIVIDUAL INCOME TAX SIMPLIFICATION. It is the intent of the sixty-first legislative assembly, as it considers proposals to offer individual income tax relief through tax rate reductions, that it work toward restoring the simplicity originally intended for tax form ND-1 by eliminating or reducing the number of tax deductions and credits in a way that minimizes any negative impact for those individuals who currently claim those tax deductions and credits.

SECTION 5. EXEMPTION. The amount appropriated for the integrated tax system, as contained in section 1 of this Act, is not subject to the provisions of section 54-44.1-11 and the funds are available for continued work on the integrated tax system during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. AMENDMENT. Section 57-01-04 of the North Dakota Century Code is amended and reenacted as follows:

57-01-04. Salary. The annual salary of the state tax commissioner is ~~eighty-three ninety~~ thousand ~~thirty-nine~~ six hundred ~~seventy-eight~~ dollars through June 30, ~~2008~~ 2010, and ~~eighty-six~~ ninety-five thousand three two hundred sixty twelve dollars thereafter.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-first Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1006.

House Vote: Yeas 89 Nays 3 Absent 2

Senate Vote: Yeas 47 Nays 0 Absent 0

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2009.

Approved at _____ M. on _____, 2009.

Governor

Filed in this office this _____ day of _____, 2009,

at _____ o'clock _____ M.

Secretary of State