

CHAPTER SEVENTEEN
MISC. PROVISIONS

ARTICLE 1 – Sales Tax

17.0101 Sales tax

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AN ORDINANCE AMENDING AND RE-ENACTING ORDINANCE No. 07-02 REGARDING CITY SALES, USE, AND GROSS RECEIPTS TAX UNDER THE HOME RULE CHARTER OF THE CITY OF RICHARDTON.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF RICHARDTON, STARK COUNTY, NORTH DAKOTA:

Ordinance No. 07-02 “An ordinance amending and reenacting Richardton City Ordinance No. 07-01 Regarding Home Rule Charter – City Sales Tax” is repealed replaced by Ordinance No. 17.0101 with the enactment of this ordinance.

SALES, USE, AND GROSS RECEIPTS TAX

Definitions.

All terms defined in chapters 40-05.1, 57-39.2, 57-39.4, 57-39.5, 57-39.6, and 57-40.2 of the North Dakota Century Code (N.D.C.C.), including any future amendments, are adopted by reference. All references to the N.D.C.C. include amendments adopted by the North Dakota Legislative Assembly.

Collection and Administration.

Where not in conflict with the provisions of this Ordinance, the provisions of N.D.C.C. chapters 40-05.1, 57-39.2, 57-39.4, 57-39.5, 57-39.6, and 57-40.2, and all administrative rules adopted by the Tax Commissioner, pertaining to the collection and administration of the retail sales, use, and gross receipts tax, including provisions for liability, refund, penalty, interest or credit, govern the administration by the North Dakota Office of State Tax Commissioner (hereinafter “Tax Commissioner”) of the taxes imposed by this Ordinance.

Sales Tax Imposed.

Subject to the provisions of N.D.C.C. § 40-05.1-06, and except as otherwise provided by this Ordinance, or the sales and use tax laws of the State of North Dakota, a tax of 2.5 percent is imposed upon the gross receipts of retailers from all sales at retail, including the leasing or renting of tangible personal property, within the corporate limits of the of the city of Richardton, North Dakota.

Use Tax Imposed.

Subject to the provisions of N.D.C.C. § 40-05.1-06, and except as otherwise provided in this Ordinance, or the sales and use tax laws of the State of North Dakota, an excise tax is imposed upon the storage, use, or consumption within the corporate limits of the city of Richardton, North Dakota of tangible personal property purchased at retail for storage, use, or consumption in this city, at the rate of 2.5 percent of the purchase price of the property. An excise tax is imposed on the storage, use, or consumption within the corporate limits of the city of Richardton, North Dakota of tangible personal property not originally purchased for storage, use, or consumption in this city at the rate of 2.5 percent of the fair market value of the property at the time it was brought into this city.

With respect to the purchase price of tangible personal property used by a contractor or subcontractor to fulfill a contract as defined in N.D.C.C. § 57-40.2-03.3, the tax imposed by this section applies only to bids submitted on or after the effective date of this Ordinance.

Gross Receipts of Alcoholic Beverages.

Subject to the provisions of N.D.C.C. § 40-05.1-06, and except as otherwise provided in this Ordinance, a gross receipts tax of 2.5 percent is imposed upon all gross receipts from the sale of alcoholic beverages within the

city. A person who receives alcoholic beverages for storage, use, or consumption in this state is subject to tax on storage, use, or consumption of those alcoholic beverages at the rate of 2.5 percent.

Gross Receipts of New Farm Machinery and New Farm Irrigation Equipment.

Subject to the provisions of N.D.C.C. § 40-05.1-06, and except as otherwise provided in this Ordinance, a gross receipts tax of 2.5 percent is imposed upon all gross receipts from the sale of new farm machinery and new farm irrigation equipment within the city. A person who receives new farm machinery or new farm irrigation equipment for storage, use, or consumption in this state is subject to tax on storage, use, or consumption of that machinery and/or equipment at the rate of 2.5 percent.

Exemptions.

This Ordinance does not provide for any additional exemptions from imposition and computation of the city sales and use tax other than those provided by state law.

Contract with Tax Commissioner.

The Richardton City Auditor is hereby authorized to contract with the Tax Commissioner for administration and collection of taxes imposed by this Ordinance. The City Auditor has all powers granted to the Tax Commissioner and in the absence of a valid contract with the Tax Commissioner or failure of the Tax Commissioner to perform the delegated duties, shall perform these duties in place of the Tax Commissioner.

Dedication of Tax Proceeds.

The revenue collected from such sales tax shall be used as follows:

- 1) One percent shall be distributed to the Richardton Health Center
- 2) One percent shall be distributed as follows:
 - a) 20% to the Richardton Health Center
 - b) 5% to the Richardton Senior Citizens
 - c) 20% to the Richardton Park District
 - d) 5% to the Business Enhancement Fund
 - e) 50% to the City for general infrastructure.
- 3) One-half percent shall be distributed to the City Street Debt Service and Reserve Fund for the repair and maintenance of City streets and shall be in full force and effect from January 1, 2022 to January 1, 2047.

Effective Date.

This Ordinance shall take effect after its passage, approval, and publication, but not prior to January 1, 2022.

Termination Date.

Unless otherwise listed, all sales, use, and gross tax receipts received under this Ordinance shall remain in full force and effect until any subsequent amendments of the Home Rule Charter of the City of Richardton are duly adopted.

The One-half percent distributed to the City Street Debt Service and Reserve Fund for the repair and maintenance of City streets and shall terminate on January 1, 2047.