



STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
Cory Fong, Commissioner

To: Wahpeton Motels, Restaurants and Bars
From: Office of State Tax Commissioner, Tax Compliance Section
Subject: City Lodging and City Lodging & Restaurant Tax
Date: October 31, 2012

Effective January 1, 2013, Wahpeton city lodging and restaurant tax will expand to include food in addition to lodging. The Office of State Tax Commissioner will administer the taxes. The City Lodging tax and the City Lodging and Restaurant tax are in addition to the state and city sales taxes already in place.

Under the ordinance, the 2 percent City Lodging tax will apply to:

- Gross receipts from leasing or renting of hotel, motel or tourist court accommodations for a period of less than 30 consecutive calendar days or one month;

Under the new ordinance, the 1 percent City Lodging and Restaurant tax will apply to:

- Gross receipts from leasing or renting of hotel, motel or tourist court accommodations for a period of less than 30 consecutive calendar days or one month
- Gross receipts of restaurants or bars from sales of prepared food and non-alcoholic beverages

Effective January 1, 2013, the combined state and local tax rates within the city limits of Wahpeton will be:

- General sales and use tax: 7 percent (5% state + 2% city)
- Restaurant (sale of food and non-alcoholic beverages): 8 percent (5% state + 2% city sales + 1% city lodging and restaurant)
- Hotel, Motel and Tourist Court Accommodations, and Bed & Breakfast Accommodations licensed under North Dakota Century Code ch. 23-09.1: 10 percent (5% state + 2% city sales + 2% city lodging + 1% city lodging and restaurant)

The city lodging tax is reported and remitted on a separate form called *City Lodging and Restaurant Tax and/or City Lodging Tax* (Form F10). Enclosed is a taxpayer copy of the lodging and restaurant tax form that you will receive to report this tax. Our office will mail the F10 return to you approximately one month before the filing due date and will follow the same schedule as your sales tax return, i.e., monthly, quarterly, etc.

Tax is computed by multiplying the taxable purchase by the tax rate and carrying the product to the 3rd decimal place. If the 3rd decimal place is 5 or greater, round up; if it is 4 or less, round down. A Local Option Tax Guideline and Rate Charts are available on our web site at www.nd.gov/tax, or can be obtained by contacting our office.

If you have any questions concerning the Wahpeton City Lodging tax or City Lodging and Restaurant tax, please contact the Office of State Tax Commissioner, Tax Compliance Section, Dept. 127, 600 E Boulevard, Bismarck, ND 58505-0599. The phone number for our office is 701.328.1246.