



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

To: Oakes Motels, Hotels, and Tourist Accommodations Permit Holders
From: Office of State Tax Commissioner, Tax Compliance Section
Subject: City Lodging Tax
Date: January 28, 2011

Effective April 1, 2011, the city of Oakes will impose a two percent (2%) City Lodging tax. The Office of State Tax Commissioner will administer the taxes. The City Lodging tax is in addition to the state and local sales, use and gross receipts tax already in place.

Under the new ordinance, the two percent (2%) 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;

Effective April 1, 2011, the combined state and local tax rates within the city limits of Oakes will be:

- General sales and use tax: 7 percent (5% state + 2% city tax)
- Restaurant (sale of food and non-alcoholic beverages): 7 percent (5% state + 2% city tax)
- Alcoholic Beverages:
 - Off-sale alcoholic beverages: 9 percent (7% state + 2% city tax)
 - On-sale alcoholic beverages: 9 percent (7% state + 2% city tax)
- Hotel, Motel and Tourist Court Accommodations, and Bed & Breakfast Accommodations licensed under North Dakota Century Code ch. 23-09.1: 9 percent (5% state + 2% city tax + 2% city lodging)

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. This form is also available on our web site www.nd.gov/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 website at www.nd.gov/tax, or can be obtained by contacting our office.

If you have any questions concerning the Oakes City Lodging 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.