



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

To: Minot Sales, Use and Gross Receipts Tax Permit Holders
From: Office of State Tax Commissioner, Tax Compliance Section
Subject: Minot Sales, Use and Gross Receipts Tax
Date: April 30, 2014

At the present time, the city of Minot has a two percent (2%) city sales, use and gross receipts tax in place. Effective June 30, 2014, one percent (1%) will sunset. ***The city of Minot has adopted an ordinance to impose a 1% city sales, use and gross receipts tax which will go into effect July 1, 2014.*** This new ordinance continues the local tax at two percent (2%) with the following changes:

- Maximum Tax (Refund Cap) eliminated
- Exempts new farm machinery, new farm irrigation equipment, and mobile homes
- Exempts contracts awarded prior to effective date
- No limited exemption for contractors (see the Local Option Tax Guideline for information on this limited exemption: <http://www.nd.gov/tax/salesanduse/pubs/guide/gl-21847.pdf>)
- No sunset date provided
- Permit holder compensation eliminated
- Proceeds will be used for permanent flood control, capital investments, job creation, and property tax relief

The Office of State Tax Commissioner has contracted with the city of Minot to administer the city sales, use and gross receipts tax. 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.

Effective July 1, 2014, the combined state, city, and county rates within the city limits of Minot will be as follows:

- General sales and use tax: 7.5 percent (5% state + 2% city + ½% county)
- New farm machinery: 3 percent (3% state + exempt city + exempt county)
- New farm irrigation equipment: 3 percent (3% state + exempt city + exempt county)
- New mobile homes: 3.5 percent (3% state + exempt city + ½% county)
- Lodging:
 - Hotel, Motel and Tourist Court Accommodations, and Bed & Breakfast Accommodations licensed under North Dakota Century Code ch. 23-09.1:
7 percent (5% state + 2% city sales + city lodging tax, administered locally)
- Restaurant (sale of food and non-alcoholic beverages): 7.5 percent (5% state + 2% city sales + ½% county)
- Alcoholic Beverages:
 - Off-sale alcoholic beverages: 9 percent (7% state + 2% city gross receipts + exempt county gross receipts)
 - On-sale alcoholic beverages: 9 percent (7% state + 2% city gross receipts + exempt county gross receipts)

Questions concerning the Minot city sales, use and gross receipts tax may be directed to the Office of State Tax Commissioner. You may contact the Office of State Tax Commissioner by phone at 701.328.1246, by e-mail at salestax@nd.gov, or by mail at Office of State Tax Commissioner, Tax Compliance Section, 600 E Boulevard, Dept. 127, Bismarck, ND 58505-0599.