



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

To: Lisbon Sales, Use and Gross Receipts Tax Permit Holders
From: Office of State Tax Commissioner, Tax Compliance Section
Subject: Lisbon City Sales, Use and Gross Receipts Tax Increase
Date: February 19, 2010

At the present time, the city of Lisbon has a 1.5 percent city sales, use and gross receipts tax in place. ***Effective April 1, 2010, the Lisbon city sales, use and gross receipts tax will be 2.0 percent.*** In addition to the rate change, the maximum tax (refund cap) was increased to \$50.00 per transaction.

The Office of State Tax Commissioner has contracted with the city of Lisbon 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, or can be obtained by contacting our office.

Effective April 1, 2010, the combined state and city rates within the city limits of Lisbon, ***including*** deliveries made into the city by retailers located outside the city limits of Lisbon, will be as follows:

General sales and use tax: 7.0 percent (5% state + 2% city)

New farm machinery and new farm irrigation equipment: 3.0 percent (3% state + exempt from city)

New mobile homes: 5.0 percent (3% state + 2% city)

Lodging:

- Hotel, Motel and Tourist Court Accommodations, and Bed & Breakfast Accommodations licensed under North Dakota Century Code ch. 23-09.1:
7.0 percent (5% state + 2% city sales)

Restaurant (sale of food and non-alcoholic beverages): 7.0 percent (5% state + 2% city sales)

Alcoholic Beverages:

- Off-sale alcoholic beverages: 9.0 percent (7% state + 2% city gross receipts)
- On-sale alcoholic beverages: 9.0 percent (7% state + 2% city gross receipts)

Questions concerning the increase in the Lisbon 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.