Guideline

Local Option Taxes by Location

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Tax Commissioner

Rates Effective July 1, 2016

LOCAL OPTION TAXES

This guideline contains information on local sales, use and gross receipts taxes, tribal taxes, lodging taxes, lodging and restaurant taxes, and motor vehicle rental taxes **imposed by cities, counties, and tribes,** but administered by the North Dakota Office of State Tax Commissioner. The Office of State Tax Commissioner assumes full responsibility for collection of the taxes including delinquency control, auditing and collection activity. Local option sales, use and gross receipts taxes are reported on the same form as the state sales taxes. However, city lodging taxes, city lodging and restaurant taxes and city motor vehicle rental taxes are reported to the State Tax Commissioner on separate forms. This guideline summarizes all the North Dakota cities and counties imposing local option taxes.

New Local Option Taxes and changes to existing Local Option Taxes become effective on the first day of a calendar quarter. Updates are posted a minimum of 60 days prior to the start of the quarter on our website at www.nd.gov/tax/salesanduse.

City Lodging Tax & City Lodging and Restaurant Tax

In addition to city sales, use and gross receipts taxes, many cities impose local taxes on lodging accomodations, restaurant meals and on-sale beverages. Unlike city sales, use and gross receipts taxes, city lodging and city lodging and restaurant taxes do not contain any special exemptions or compensation allowances. Information on these local taxes is provided below.

City Lodging Tax

City	Effective Date	Rate	City	Effective Date	Rate	City	Effective Date	Rate
Ashley	10/1/91	2%	Glen Ullin	1/1/13	2%	New Town	6/1/87	1%
Beach	11/1/05	2%	Grafton	4/1/93	2%	Oakes	4/1/11	2%
Belfield	4/1/15	2%	Hankinson	9/1/06	2%	Parshall	10/1/07	2%
Beulah	5/1/87	2%	Harvey	1/1/06	2%	Ray	1/1/13	1%
Bismarck	7/1/87	2%	Hazen	7/1/10	2%	Regent	4/1/09	2%
Bottineau	6/1/84	2%	Hettinger	3/1/91	2%	Riverdale	10/1/10	1%
Bowman	4/1/90	2%	Jamestown	7/1/82	2%	Rugby	9/1/83	2%
Carrington	1/1/88	2%	Killdeer	1/1/13	2%	Steele	10/1/91	2%
Cavalier	1/1/16	2%	Lakota	9/1/06	2%	Tioga	1/1/13	2%
Cooperstown	10/1/08	1%	Langdon	10/1/95	2%	Wahpeton	4/1/89	2%
Crosby	4/1/13	1%	Linton	7/1/15	2%	Walhalla	1/1/09	1%
Devils Lake	7/1/84	2%	Lisbon	1/1/06	2%	Washburn	7/1/15	2%
Dickinson	7/1/82	2%	Mandan	7/1/87	2%	Watford City	4/1/86	2%
Drayton	7/1/07	2%	McVille	1/1/09	2%	Williston	1/1/82	2%
Ellendale	10/1/12	2%	Medora	4/1/82	2%	Wishek	1/1/07	2%
Garrison	4/1/96	2%	Minnewaukan	1/1/13	2%	Wyndmere	10/1/12	2%

Note: Fargo, Grand Forks, Minot, Valley City, and West Fargo also impose a local lodging tax, however, their taxes are administered locally.

City Lodging and Restaurant Tax

City	Applies to	Effective Date	Rate	City	Applies to	Effective Date	Rate
Beulah	Lodging, food, liquor	1/1/09	1%	Lisbon	Lodging, food, liquor	1/1/06	1%
Bismarck	Lodging, food, liquor	7/1/87	1%	Mandan	Lodging, food, liquor	11/1/87	1%
Bottineau	Lodging, food, liquor	3/3/90	1%	McVille	Lodging, food	4/1/09	1%
Bowman	Lodging, food, liquor	4/1/90	1%	Minnewaukan	Lodging, food, liquor	1/1/13	1%
Devils Lake	Lodging, food	7/1/95	1%	Parshall	Lodging, food, liquor	10/1/07	1%
Dickinson	Lodging, food, liquor	7/1/82	1%	Pick City	Lodging, food, liquor	7/1/93	1%
Drayton	Lodging, food, liquor	7/1/07	1%	Regent	Lodging, food, liquor	4/1/09	1%
Edgeley	Lodging, food, liquor	4/1/97	1%	Riverdale	Lodging, food, liquor	10/1/10	1%
Ellendale	Lodging, food, liquor	7/1/05	1%	Rugby	Lodging, food	10/1/97	1%
Glen Ullin	Lodging, food, liquor	1/1/13	1%	Valley City	Food, liquor	5/1/97	1%
Grand Forks	Lodging, food, liquor	1/1/06	¼%	Wahpeton	Lodging, food	1/1/13	1%
Hazen	Lodging, food, liquor	10/1/01	1%	Watford City	Lodging, food, liquor	4/1/15	1%
Jamestown	Lodging, food	7/1/88	1%	Williston	Lodging, food, liquor	10/1/14	1%
Lakota	Lodging	9/1/06	1%	Wyndmere	Lodging, food, liquor	10/1/12	1%

City Motor Vehicle Rental Tax

Three cities (Bismarck, Grand Forks, and Minot) impose a 1% tax on the rental of any motor vehicle for fewer than thirty days when that motor vehicle is either delivered to a renter at an airport or delivered to a renter who was picked up by the retailer at an airport. For the purposes of this tax, a "retailer" means a company for which the primary business is the renting of motor vehicles for periods of fewer than thirty days.

Collection and Payment of Local Taxes

Local tax is imposed on taxable sales when possession of the goods transfers to the purchaser or the purchaser's agent within a jurisdiction (city, county or tribal) imposing a local tax. Leasing or rental companies with property located inside a taxing jurisdiction must collect local sales tax on lease or rental payments, including those contracted prior to the effective date of the local tax.

Local option sales, use and gross receipts taxes parallel state/tribal sales, use and gross receipts tax law. All exemptions applicable for state/tribal sales, use and gross receipts taxes also apply to local option sales, use and gross receipts taxes including exemptions for tax exempt entities (schools, government agencies, hospitals, etc.) and some sales to Montana residents.

The proper execution of resale certificates, exemption certificates and processing certificates exempt sales and purchases from local tax as well as state tax. However, these certificates may not be used to exempt only state/tribal or local tax; either the activity is exempt from both taxes or it is subject to both taxes.

State and Local Gross Receipts Taxes

Effective October 1, 2005, the state sales tax on new farm machinery and new farm irrigation equipment used exclusively for agricultural purposes and the state sales tax on retail sales of alcoholic beverages sold for consumption either on or off-the-premises were replaced with gross receipts taxes. Local jurisdictions that tax these items also impose a gross receipts tax. The rates for the new gross receipts taxes are identical to the previous sales tax rates for both the state and local jurisdictions.

Retailers located within a taxing jurisdiction:

- *Must collect* the local tax when the purchaser takes possession of the goods at the retailer's location or elsewhere within the taxing jurisdiction.
- *Must not collect* the local tax for goods delivered in the retailers own vehicles or by common carrier to the purchaser outside the taxing jurisdiction.

Retailers located outside a taxing jurisdiction including those retailers located in another city, county or tribe that imposes a local sales tax:

- *Must collect* the local tax when the goods are delivered into a local taxing jurisdiction by the retailer's delivery vehicles.
- *Must collect* the local tax if the seller delivers the goods by common carrier to the purchaser within a taxing jurisdiction if the retailer has sufficient business presence within that local taxing jurisdiction (nexus).
- *Must not collect* the local tax where the purchaser is located if the purchaser takes possession of the goods at the retailer's location and the retailer's location is in a different taxing jurisdiction than the purchaser.

Tribal Tax

Standing Rock Sioux Tribe:

The 2015 Legislature authorized the governor to enter into an agreement with the Standing Rock Sioux Tribe for the Office of State Tax Commissioner's administration of state-level and local-level tribal sales, use, and gross receipts taxes imposed within the exterior boundaries of the North Dakota portion of Standing Rock Sioux Reservation.

Effective July 1, 2016, the Standing Rock Sioux Tribe will impose a 5 percent general sales and use tax, a 3 percent sales and use tax on new manufactured homes, a 7 percent alcohol gross receipts tax, and a 3 percent farm machinery gross receipts tax on new farm machinery and new farm irrigation equipment. All of these taxes are identical to North Dakota's sales use, and gross receipts taxes. All exemptions that apply to the state's taxes also apply to the tribal taxes.

In addition to the tribal imposed 3 and 5 percent sales and use taxes, 7 percent alcohol gross receipts tax, and 3 percent new farm machinery and new farm irrigation equipment gross receipts tax, the Standing Rock Sioux Tribe also imposed a .25 percent tribal local tax that will apply to all transactions subject to the state-level taxes. As a result, all taxable transactions on the Standing Rock Sioux Reservation will be subject to one state-level (state or tribe) 5, 7, or 3 percent tax and an additional .25 percent tribal local tax. The tribal local .25 percent tax will apply to all transactions in the same manner as a city or county sales, use, or gross receipts tax.

With the imposition of these taxes, the exemption to an enrolled member of a federally recognized Indian tribe who resides within the boundaries of the Standing Rock Reservation is eliminated. This does not affect the sales tax exemption certificate, containing an exemption number, issued to Standing Rock Sioux Tribe for purchases made by Standing Rock Sioux Tribe. This sales tax exemption certificate is not transferable and may only be used for purchases made by Standing Rock Sioux Tribe.

NEXUS

A business presence (Nexus) by a retailer within a local taxing jurisdiction includes, but is not limited to:

- Making sales to customers;
- Service people performing installation, construction, or repairs;
- Deliveries into a city or county with the seller's own vehicles;
- Property ownership or use including lease or rental within a city or county;
- Licensing rights for use in this state;
- Representation, agent or sales person operating, in this state for the purposes of selling, delivering, or taking orders for any tangible personal property.
- Maintaining a business location of any kind.

USE TAX

If the purchaser did not pay a local tax at the time of purchase, the goods will be subject to local use tax if the purchaser takes the goods into a city or county or Indian reservation imposing a local use tax for storage, use or consumption in that taxing jurisdiction. The tax is due on the fair market value of the goods when they enter the taxing jurisdiction. In these situations, the consumer is responsible to report the purchase and pay the local tax liability. The seller of the goods is not responsible to collect the use tax in this situation.

The cities of Bisbee, Cando and Scranton impose a local sales tax only; they do not impose a local use tax. Local tax in the cities of Bisbee, Cando and Scranton applies only if the seller and buyer are located within the city limits of these cities.

Credit is allowed for sales and use tax legally due and paid in another local jurisdiction and can be offset with the sales or use tax due the purchaser's local jurisdiction if the other local jurisdiction provides a like credit.

Example: If you purchase an item in Bismarck (1% local tax + ½% county tax) and bring it into Mandan (1-3/4% city tax + ½% county tax) for storage, use or consumption, an additional 3/4% local tax is due as use tax to the city of Mandan. This additional 3/4% is self-accrued by the customer and reported under Mandan local tax on the sales and use tax return or One-Time Remittance Form found on our website at www.nd.gov/tax/salesanduse/toggle.html.

Contractors

Contractors and subcontractors who use tangible personal property in the performance of construction contracts within a taxing jurisdiction are subject to city, county or tribal use tax. Local use tax may be paid directly to the seller of the goods or may be accrued by the contractor for payment to the Office of State Tax Commissioner. Under state law, a contractor or subcontractor is subject to use tax regardless of who owns the goods unless local sales or use tax has already been paid on the goods.

Construction materials are subject to local tax if:

- Purchased from a retailer located inside a taxing jurisdiction for use inside that taxing jurisdiction.
- Purchased elsewhere but stored, used or consumed inside a taxing jurisdition. ***Please Note:*** The local tax due is reduced by the local tax legally due and paid to another city or county, so reciprocity applies.

Generally, contractors who provide a *Certificate of Exemption* www.nd.gov/tax/salesanduse/forms/ to avoid payment of sales tax at the time construction materials are purchased are subject to the city or county use tax when the goods are installed whether the goods are used inside or outside of a taxing jurisdiction. The tax is due to the taxing jurisdiction where the goods were purchased.

Fifty-one (51) local sales tax ordinances provide a limited exemption for materials that are purchased within the jurisdiction, but later installed outside of the jurisdiction where the sale took place. These jurisdictions are Alexander, Anamoose, Aneta, Bismarck, Bottineau, Burleigh County, Cooperstown, Devils Lake, Dickinson, Drake, Drayton, Dunseith, Edgeley, Enderlin, Fairmount, Fargo, Forman, Fort Ransom, Gackle, Garrison, Glenburn, Glen Ullin, Grenora, Gwinner, Halliday, Hankinson, Hannaford, Lakota, LaMoure, Leonard, Lidgerwood, Lisbon, Mandan, Max, McVille, Mohall, Morton County, New Salem, Northwood, Page, Ray, Rolla, St. John, Streeter, Surrey, Underwood, Ward County, Washburn, Williston, Wimbledon, Woodworth and Wyndmere.

To qualify for the limited exemption, a contractor must provide the supplier a *Certificate of Exemption* at the time of purchase and ask to be exempt from both state and local sales taxes. When the goods are used, the contractor must pay state use tax on the cost of the goods. The local use tax is due to the city, county or reservation where the goods are installed only if the goods are installed within a city or county or reservation that imposes a local use tax.

A *Certificate of Exemption* may also be used in all other taxing jurisdictions that impose local sales, use and gross receipts taxes but that do not allow the limited exemption. When the materials are used, use tax is due to the local jurisdiction where the materials were purchased regardless of where the materials were installed. If the *Certificate of Exemption* is not provided, city, county and state sales tax are due at the time of purchase.

Construction materials are not subject to local tax if the goods were purchased from a retailer located in a taxing jurisdiction, but delivered by the retailer outside the taxing jurisdiction for use outside of that taxing jurisdiction.

It is important to note that the maximum tax (refund cap) is calculated on each material purchase a contractor makes to fulfill a construction contract, not on purchase orders or the entire construction contract itself. Accordingly, most construction activity which is subject to local sales or use tax will include more than the specified maximum tax in total local tax costs. While retailers may collect the full amount of sales tax for retail sales (customer may apply for a refund of local tax collected in excess of the maximum tax), when use tax is accrued, it should be accrued up to the maximum tax amount only.

Maximum Tax Refund

The Maximum tax is the maximum amount of local tax that could apply to a single transaction. The maximum tax amount (refund cap) allows purchasers to obtain a refund of the local tax paid to the retailer in excess of the maximum tax amount. When retailers collect the total local tax on the selling price and the local tax exceeds the maximum tax, purchasers may apply to the Tax Commissioner for a refund of the excess amount. See our web site: www.nd.gov/tax/salesanduse/forms/citycountyrefundclaim.pdf. Find "Claim for Refund Local Sales and Use Tax Paid Beyond Maximum Tax". Retailers may elect to collect the total tax amount or collect up to the maximum tax amount, but must be consistent in the method they choose.

Compensation

Some local option taxes provide for permit holder compensation. If the jurisdiction provides for compensation, sales and use tax permit holders are allowed to retain a portion of their local tax collections or use tax obligations to help recover administrative expenses. The jurisdictions and their appropriate rates and maximums are identified on the following pages. Please note that the return must be filed and paid in full by the scheduled due date or your compensation will be disallowed and your local tax obligation will be subject to penalty and interest.

Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

City	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Alexander	Sales, Use and Gross Receipts	2% 1-1-16	237	2%	None	None	None
Anamoose	Sales, Use and Gross Receipts	1% 1-1-09	220	1%	None	None	None
Aneta	Sales, Use and Gross Receipts	1% 1-1-05	203	1%	New farm machinery	$25/sale	None
Ashley	Sales, Use and Gross Receipts	1% 4-1-98	162	1%	None	$25/sale	3% Max.-$33.33/ month or $100.00/quarter
Beach	Sales, Use and Gross Receipts	1% 10-1-97	156	1%	New farm machinery	$25/sale	None
Belfield	Sales, Use and Gross Receipts	1% 4-1-95 1% 4-1-07	133	2%	None	$25/sale - 4-1-95 $50/sale - 4-1-07	None
Berthold[6] ***(Ward)*	Sales, Use and Gross Receipts	1% 1-1-96	138	1%	New farm machinery New farm irrigation equipment	$25/sale	None
Beulah	Sales, Use and Gross Receipts	1% 10-1-03 1% 1-1-15	200	2%	None	$25/sale	3% Max.-$50.00/ month or $150.00/quarter
Bisbee	Sales and Gross Receipts only	2% 1-1-12	229	2%	None	None	3% Max.-$50.00/ month or $150.00/quarter
Bismarck[7] ***(Burleigh)*	Sales, Use and Gross Receipts	1% 4-1-86	102	1%	None	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Bottineau	Sales, Use and Gross Receipts	1% 10-1-93 1% 10-1-99 (1%) 9-30-11 1% 10-1-11	122	2%	New farm machinery New farm irrigation equipment	$25/sale - 10-1-93 $50/sale - 10-1-99	3% Max.-$50.00/ month or $150.00/quarter
Bowman	Sales, Use and Gross Receipts	1% 10-1-94	126	1%	New farm machinery	$25/sale	None
Buffalo[5] ***(Cass)*	Sales, Use and Gross Receipts	1% 1-1-03 1% 1-1-13	196	2%	None	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Cando	Sales and Gross Receipts only	1% 7-1-98 1% 4-1-07	161	2%	None	$25/sale - 7-1-98 None - 4-1-07	3% Max.-$50.00/ month or $150.00/quarter
Carrington	Sales, Use and Gross Receipts	1% 1-1-94 1% 4-1-14	124	2%	New farm machinery	$25/sale	None
Carson	Sales, Use and Gross Receipts	1% 10-1-02	191	1%	None	$25/sale	None
Casselton[5] ***(Cass)*	Sales, Use and Gross Receipts	1% 4-1-98	163	1%	None	$25/sale	None
Cavalier	Sales, Use and Gross Receipts	1% 10-1-94 ½% 10-1-98 ½% 1-1-10	127	2%	New farm machinery	$25/sale - 10-1-94 $37.50/sale - 10-1-98	None

* **Customers may request a refund of local sales, use or gross receipts tax paid if the amount exceeds the maximum tax due to a city or county. Please see page 3, Maximum Tax Refund.**

** **Shaded cities also have county tax obligations.**

Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

City	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Center	Sales, Use and Gross Receipts	2% 1-1-16	238	2%	None	None	None
Cooperstown	Sales, Use and Gross Receipts	1% 7-1-96 ½% 7-1-08	141	1½%	New farm machinery	$25/sale - 7-1-96 $50/sale - 7-1-08	None
Crosby	Sales, Use and Gross Receipts	1% 1-1-93 1% 4-1-13 1% 10-1-13	116	3%	New farm machinery	$25/sale - 1-1-93 $50/sale - 4-1-13 $75/sale - 1-1-14	None
Devils Lake	Sales, Use and Gross Receipts	1% 7-1-88 ½% 1-1-97 ½% 4-1-07	104	2%	New farm machinery New farm irrigation equipment	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Dickinson	Sales, Use and Gross Receipts	1% 7-1-90 ½% 1-1-02	106	1½%	None	$25/sale - 7-1-90 $37.50/sale - 1-1-02	None
Drake	Sales, Use and Gross Receipts	1% 7-1-05 1% 7-1-08	209	2%	None	None	None
Drayton	Sales, Use and Gross Receipts	1% 10-1-97 ½% 10-1-10	157	1½%	None	$25/sale	None
Dunseith	Sales, Use and Gross Receipts	1% 1-1-05 (1%) 12-31-10 1% 1-1-11	204	1%	None	$25/sale	None
Edgeley	Sales, Use and Gross Receipts	1% 1-1-97 1% 10-1-06	148	2%	None	$25/sale - 1-1-97 None - 10-1-06 $50/sale - 7/1/13	3% Max.-$50.00/ month or $150.00/quarter
Edinburg[2] ****(Walsh)***	Sales, Use and Gross Receipts	1% 4-1-99	176	1%	New farm machinery	$25/sale	None
Elgin	Sales, Use and Gross Receipts	1% 4-1-00	179	1%	None	$25/sale	None
Ellendale	Sales, Use and Gross Receipts	1% 1-1-95	131	1%	None	$25/sale	3% Max.-$50.00/ month or $150.00/quarter
Enderlin	Sales, Use and Gross Receipts	1% 10-1-98 1% 10-1-11	166	2%	None	$25/sale	None
Fairmount	Sales, Use and Gross Receipts	1% 4-1-05 1% 1-1-12	206	2%	None	None	None
Fargo[5] ****(Cass)***	Sales, Use and Gross Receipts	½% 4-1-89 ½% 7-1-92 ½% 1-1-05 (½%) 7-1-06 ½% 1-1-09 ½% 1-1-10 (½%) 7-1-12 ½% 1-1-13	105	2%	None	$12.50/sale - 4-1-89 $25/sale - 7-1-92 $37.50/sale - 1-1-05 $25.00/sale - 7-1-06 $37.50/sale - 1-1-09 $50/sale - 1-1-10 $37.50/sale - 7-1-12 $50/sale - 1-1-13	None
Finley[3] ****(Steele)***	Sales, Use and Gross Receipts	1% 10-1-98 1% 1-1-13	167	2%	None	$25/sale - 10-1-98 $50/sale - 1-1-13	None
Forman	Sales, Use and Gross Receipts	1% 1-1-09 ½% 4-1-12	221	1½%	None	$25/sale	None
Fort Ransom	Sales, Use and Gross Receipts	1% 1-1-00 1% 10-1-11	177	2%	None	$25/sale	None
Fredonia	Sales, Use and Gross Receipts	2% 1-1-15	235	2%	None	None	None

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Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

City	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Gackle	Sales, Use and Gross Receipts	1% 1-1-06	210	1%	None	None	None
Garrison	Sales, Use and Gross Receipts	1% 1-1-96 1% 10-1-06	139	2%	New farm machinery New farm irrigation equipment	$25/sale - 1-1-96 $50/sale - 10-1-06	None
Glenburn	Sales, Use and Gross Receipts	1% 7-1-08 1% 10-1-12	219	2%	None	$25/sale	None
Glen Ullin[8] ***(Morton)*	Sales, Use and Gross Receipts	1% 1-1-07	212	1%	None	$25/sale	None
Grafton[2] ***(Walsh)*	Sales, Use and Gross Receipts	1% 1-1-91 1% 4-1-07 ½% 4-1-15	107	2½%	New farm machinery New farm irrigation equipment	$25/sale - 1-1-91 None - 4-1-15	3% Max.-$83.33/ month or $250.00/quarter
Grand Forks	Sales Tax Use Tax Sales, Use and Gross Receipts	1% 1-1-85 ¾% 1-1-96 1¾% 7-1-00	101	1¾%	New farm machinery New farm irrigation equipment Coin-operated vending sales of 99¢ or less	$43.75/sale	5% Max.-$166.67/ month or $500.00/quarter
Granville	Sales, Use and Gross Receipts	2% 7-1-10	225	2%	None	None	None
Grenora[4] ***(Williams)*	Sales, Use and Gross Receipts	1% 10-1-02	192	1%	None	$25/sale	None
Gwinner	Sales, Use and Gross Receipts	1% 4-1-05 1% 4-1-16	207	2%	None	None	None
Halliday	Sales, Use and Gross Receipts	1% 7-1-96	143	1%	None	$25/sale	None
Hankinson	Sales,Use and Gross Receipts	1% 10-1-97 1% 1-1-10	158	2%	None	$25/sale - 10-1-97 $50/sale - 1-1-10	3% No maximum
Hannaford	Sales, Use and Gross Receipts	1% 10-1-04	202	1%	None	$50/sale	None
Harvey	Sales, Use and Gross Receipts	1% 10-1-91 1% 1-1-15	112	2%	New farm machinery New farm irrigation equipment	$25/sale - 10-1-91 $50/sale - 1-1-15	3% Max.-$83.33/ month or $250.00/quarter
Harwood[5] ***(Cass)*	Sales, Use and Gross Receipts	1% 1-1-09	222	1%	None	$25/sale	None
Hatton	Sales, Use and Gross Receipts	1% 4-1-98 1% 10-1-10	164	2%	None	$25/sale	None
Hazelton	Sales, Use and Gross Receipts	1% 10-1-00 1% 1-1-15	180	2%	None	$25/sale - 10-1-00 $35/sale - 1-1-07	3% Max.-$50/month or $150/quarter
Hazen	Sales, Use and Gross Receipts	1% 4-1-95 ½% 1-1-14	134	1½%	New farm machinery New farm irrigation equipment	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Hettinger	Sales, Use and Gross Receipts	1% 7-1-02 ½% 1-1-11	142	1½%	None	$25/sale - 7-1-02 $37.50/sale - 1-1-11	None

* **Customers may request a refund of local sales, use or gross receipts tax paid if the amount exceeds the maximum tax due to a city or county. Please see page 3, Maximum Tax Refund.**

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Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

City	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Hillsboro	Sales, Use and Gross Receipts	1% 10-1-98 1% 1-1-03	168	2%	None	$25/sale - 10-1-98 $50/sale - 1-1-03	None
Hoople[2] ****(Walsh)***	Sales, Use and Gross Receipts	1% 1-1-99	172	1%	New farm machinery New farm irrigation equipment	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Hope[3] ****(Steele)***	Sales, Use and Gross Receipts	1% 1-1-01 1% 1-1-12	185	2%	None	$50/sale	None
Jamestown	Sales, Use and Gross Receipts	1% 7-1-91 1% 4-1-02 (1%) 4-1-15 1% 4-1-16	110	2%	New farm machinery	$25/sale - 7-1-91 $50/sale - 4-1-02 $25/sale - 4-1-15 $50/sale - 4-1-16	None
Kenmare[6] ****(Ward)***	Sales, Use and Gross Receipts	1% 1-1-93 1% 10-1-07	117	2%	Mobile homes New farm machinery New farm irrigation equipment	$25/sale - 1-1-93 $50/sale - 10-1-07	None
Killdeer	Sales, Use and Gross Receipts	1% 4-1-95 ½% 1-1-07 ½% 4-1-15	135	2%	New farm machinery	$25/sale - 4-1-95 $37.50/sale - 1-1-07 None - 4-1-15	None
Kindred[5] ****(Cass)***	Sales, Use and Gross Receipts	1½% 4-1-12 ½% 4-1-15	230	2%	None	$50/sale	None
Kulm	Sales, Use and Gross Receipts	1% 4-1-98 1% 10-1-07	165	2%	None	$25/sale - 4-1-98 $50/sale - 10-1-07	None
Lakota	Sales, Use and Gross Receipts	1% 1-1-07	213	1%	None	None	None
LaMoure	Sales, Use and Gross Receipts	1% 1-1-97 ½% 1-1-05 ½% 4-1-10	149	2%	New farm machinery	$25/sale - 1-1-97 $50/sale - 4-1-10	None
Langdon	Sales, Use and Gross Receipts	1% 1-1-94 1% 10-1-08	123	2%	New farm machinery	$25/sale - 1-1-94 $50/sale - 10-1-08	3% Max.-$83.33/ month or $250.00/quarter
Larimore	Sales, Use and Gross Receipts	1% 1-1-95	128	1%	None	$25/sale	None
Leeds	Sales, Use and Gross Receipts	2% 10-1-14	234	2%	None	None	None
Leonard[5] ****(Cass)***	Sales, Use and Gross Receipts	1% 4-1-07 1% 1-1-11	215	2%	None	None	None
Lidgerwood	Sales, Use and Gross Receipts	1% 10-1-00 1% 10-1-13	181	2%	None	$25/sale	None
Lignite	Sales, Use and Gross Receipts	2% 1-1-15	236	2%	None	None	None
Linton	Sales, Use and Gross Receipts	1% 10-1-93 1% 10-1-06	121	2%	None	$25/sale - 10-1-93 None - 10-1-06	3% Max.-$50.00/ month or $150.00/quarter
Lisbon	Sales, Use and Gross Receipts	1% 7-1-95 ½% 1-1-09 ½% 4-1-10	136	2%	New farm machinery New farm irrigation equipment	$25/sale - 7-1-95 $37.50 - 1-1-09 $50/sale - 4-1-10	None
Maddock	Sales, Use and Gross Receipts	1½% 10-1-02 ½% 7-1-11	193	2%	None	$25/sale	None

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** **Shaded cities also have county tax obligations.**

Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

City	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Mandan[8] **(Morton)**	Sales, Use and Gross Receipts	1% 4-1-91 ¾% - 10-1-15	108	1¾%	None	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Mapleton[5] **(Cass)**	Sales, Use and Gross Receipts	1% 7-1-07 ½% 1-1-11	218	1½%	None	$25/sale	None
Max	Sales, Use and Gross Receipts	1% 4-1-11	227	1%	New farm machinery New farm irrigation equipment	$25/sale	None
Mayville	Sales, Use and Gross Receipts	1% 1-1-97 1% 7-1-03	150	2%	None	$25/sale - 1-1-97 $50/sale - 7-1-03	None
McClusky	Sales, Use and Gross Receipts	1% 1-1-96	140	1%	None	$25/sale	None
McVille	Sales, Use and Gross Receipts	1% 1-1-02 1% 7-1-10	188	2%	New farm machinery	$25/sale - 1-1-02 $50/sale - 7-1-10	None
Medora	Sales, Use and Gross Receipts	½% 4-1-02 2% 1-1-00	178	2½%	None	$25/single unit purchase	None
Michigan	Sales, Use and Gross Receipts	1% 10-1-01 ½% 4-1-04 ½% 7-1-14	187	2%	None	$25/sale	None
Milnor	Sales, Use and Gross Receipts	1½% 10-1-02	169	1½%	New farm machinery	$25/sale	None
Minnewaukan	Sales, Use and Gross Receipts	1½% 1-1-07 ½% 7-1-11	214	2%	New farm machinery New farm irrigation equipment	None	None
Minot[6] **(Ward)**	Sales Tax Use Tax Sales, Use and Gross Receipts	1% 4-1-86 1% 7-1-90 1% 1-1-98 (1%) 6-30-14 1% 7-1-14	103	2%	Mobile homes New farm machinery New farm irrigation equipment	$25/customer/ vendor/day 4-1-86 $50/customer/ vendor/day 1-1-98 None - 7-1-14 $100/sale - 1-1-15	None
Minto[2] **(Walsh)**	Sales, Use and Gross Receipts	1% 4-1-07	216	1%	New farm machinery New farm irrigation equipment	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Mohall	Sales, Use and Gross Receipts	1% 10-1-92	114	1%	New farm machinery	$25/sale	None
Mott	Sales, Use and Gross Receipts	1% 4-1-97 ½% 4-1-04 ½% 1-1-13	153	2%	None	$25/sale	None
Munich	Sales, Use and Gross Receipts	1% 1-1-99	173	1%	None	$25/sale	3% Max.-$50.00/ month or $150.00/quarter
Napoleon	Sales, Use and Gross Receipts	1% 10-1-96 1% 10-1-08	144	2%	None	$25/sale - 10-1-96 $50/sale - 10-1-08	3% Max.-$50.00/ month or $150.00/quarter
Neche	Sales, Use and Gross Receipts	1% 1-1-04 1% 1-1-09	201	2%	New farm machinery	$25/sale - 1-1-04 $50/sale - 1-1-09	None

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Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

City	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
New England	Sales, Use and Gross Receipts	1% 10-1-02 1% 1-1-08	194	2%	None	$25/sale - 10-1-02 $100/sale - 1-1-08	None
New Leipzig	Sales, Use and Gross Receipts	1% 1-1-99	174	1%	None	$25/sale	None
New Rockford	Sales, Use and Gross Receipts	1% 10-1-96 1% 4-1-08	145	2%	None	$25/sale - 10-1-96 $50/sale - 4-1-08	None
New Salem[8] ****(Morton)***	Sales, Use and Gross Receipts	1% 4-1-07	217	1%	None	None	None
Northwood	Sales, Use and Gross Receipts	1% 1-1-03 ½% 10-1-06	197	1½%	None	$25/sale - 1-1-03 None - 10-1-06 $37.50/sale - 1-1-07	None
Oakes	Sales, Use and Gross Receipts	1% 10-1-96 ½% 10-1-03 ½% 10-1-10	146	2%	None	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Oxbow[5] ****(Cass)***	Sales, Use and Gross Receipts	1% 1-1-02	189	1%	None	None	None
Page[5] ****(Cass)***	Sales, Use and Gross Receipts	1% 4-1-05 1% 7-1-16	208	2%	None	$25/sale 4-1-05 $50/sale 7-1-16	None
Park River[1, 2] ****(Walsh)***	Sales, Use and Gross Receipts	1% 1-1-95 1% 7-1-05	130	2%	New farm machinery	$25/sale -1-1-95 None - 10-1-12	None
Pembina	Sales, Use and Gross Receipts	1% 1-1-93 ½% 10-1-09 1% 1-1-10	119	2½%	New farm machinery	$25/sale - 1-1-93 $50/sale - 10-1-09	None
Portland	Sales, Use and Gross Receipts	1% 1-1-97 1% 7-1-03	151	2%	None	$25/sale - 1-1-97 $50/sale - 7-1-03	None
Powers Lake	Sales, Use and Gross Receipts	1% 4-1-97	154	1%	New farm machinery	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Ray[4] ****(Williams)***	Sales, Use and Gross Receipts	1½% 1-1-13 ½% 4-1-14	232	2%	None	None	None
Reeder	Sales, Use and Gross Receipts	1% 1-1-03	198	1%	New farm machinery	$25/sale	None
Regent	Sales, Use and Gross Receipts Sales Tax Use Tax	1% 1-1-97 1% 4-1-09	152	2%	None	$25/sale - 1-1-97 None - 4-1-09	None
Richardton	Sales, Use and Gross Receipts Use tax effective 1-1-08	1% 10-1-97 1% 1-1-08	159	2%	None	$25/sale - 10-1-97 $100/sale - 1-1-08	None
Rolette	Sales, Use and Gross Receipts	1% 1-1-03 1% 1-1-14	199	2%	New farm machinery	$25/sale	None
Rolla	Sales, Use and Gross Receipts	1% 1-1-94 ½% 10-1-04 ½% 1-1-10	125	2%	New farm machinery New farm irrigation equipment Coin operated vending sales of 99¢ or less New mobile homes	$25/sale	None

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Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

City	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Rugby	Sales, Use and Gross Receipts	1% 1-1-93 1% 10-1-09	118	2%	New farm machinery New farm irrigation equipment	$25/sale	3% Max.-$50.00/ month or $150.00/quarter
Scranton	Sales and Gross Receipts Only	1% 4-1-02	190	1%	None	$25/sale	None
South Heart	Sales, Use and Gross Receipts	2% 4-1-13	233	2%	None	None	None
St. John	Sales, Use and Gross Receipts	1% 1-1-01	186	1%	None	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Stanley	Sales, Use and Gross Receipts	1% 10-1-95 ½% 4-1-13	137	1½%	New farm machinery	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Steele	Sales, Use and Gross Receipts	1% 10-1-96 1% 4-1-07	147	2%	None	$25/sale - 10-1-96 None - 1-1-13	None
Strasburg	Sales, Use and Gross Receipts	1% 4-1-93 1% 1-1-11	120	2%	None	$25/sale - 4-1-93 None - 1-1-11	3% Max.-$50.00/ month or $150.00/quarter
Streeter	Sales, Use and Gross Receipts	1% 1-1-09	223	1%	None	None	None
Surrey[6] ****(Ward)***	Sales, Use and Gross Receipts	7-1-12	231	2%	None	None	None
Tioga[4] ****(Williams)***	Sales, Use and Gross Receipts	1% 1-1-95 1% 1-1-13 ½% 4-1-13	132	2½%	New farm machinery	$25/sale	None
Tower City[5] ****(Cass/Barnes)***	Sales, Use and Gross Receipts	1% 10-1-02 1% 1-1-14	195	2%	New farm machinery	$25/sale	None
Towner	Sales, Use and Gross Receipts	1% 10-1-98	170	1%	New farm machinery New farm irrigation equipment	$25/sale	3% Max.-$50.00/ month or $150.00/quarter
Turtle Lake	Sales, Use and Gross Receipts	1% 10-1-00 1% 4-1-09	182	2%	New farm machinery New farm irrigation equipment	$25/sale - 10-1-00 $50/sale - 4-1-09	None
Underwood	Sales, Use and Gross Receipts	1½% 10-1-06 ½% 4-1-15	211	2%	New farm machinery	None	None
Valley City	Sales, Use and Gross Receipts	1% 1-1-92 ½% 7-1-03 ½% 7-1-07 ½% 10-1-10	113	2 ½%	New farm machinery	$25.00/sale - 1-1-92 $37.50/sale - 7-1-03 $50.00/sale - 7-1-07 $62.50/sale - 10-1-10	None
Velva	Sales, Use and Gross Receipts	1% 1-1-99 1% 10-1-07 (1%) - 6-30-14 1% 1-1-15	175	2%	New farm machinery New farm irrigation equipment	$25/sale - 1-1-99 $50/sale - 1-1-10 $25/sale - 1-1-14	None

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Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

City	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Wahpeton	Sales, Use and Gross Receipts	1% 7-1-91 ½% 10-1-99 ½% 1-1-10	111	2%	New farm machinery New farm irrigation equipment	$25/sale - 7-1-91 $50/sale - 1-1-10	3% $37.50/month
Walhalla	Sales, Use and Gross Receipts	1% 10-1-97 1% 1-1-09	160	2%	New farm machinery	$25/sale - 10-1-97 $50/sale - 1-1-09	None
Washburn	Sales, Use and Gross Receipts	1% 10-1-00 1% 1-1-09	183	2%	None	$25/sale - 10-1-00 None - 1-1-15	3% Max.-$83.33/ month or $250.00/quarter
Watford City	Sales, Use and Gross Receipts	1% 10-1-98 ½% 10-1-14	171	1½%	New farm machinery	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
West Fargo[5] ****(Cass)***	Sales, Use and Gross Receipts	1% 10-1-94 1% 10-1-14	129	2%	None	$25/sale None - 10-1-14	None
Westhope	Sales, Use and Gross Receipts	1% 7-1-10	226	1%	None	$25/sale	None
Williston[4] ****(Williams)***	Sales, Use and Gross Receipts	1% 7-1-91 1% 4-1-03 (1%) 3-31-11 1% 4-1-12	109	2%	New farm machinery New farm irrigation equipment	$25/sale - 7-1-91 $50/sale - 4-1-03 $25/sale - 4-1-11 $50/sale - 10-1-12	3% Max.-$83.33/ month or $250.00/quarter
Wilton<br****(McLean/ Burleigh)***	Sales, Use and Gross Receipts	1% 10-1-00 1% 1-1-13	184	2%	None	$25/sale - 10-1-00 $50/sale - 1-1-13	3% Max.-$83.33/ month or $250.00/quarter
Wimbledon	Sales, Use and Gross Receipts	1% 1-1-05	205	1%	New farm machinery	$25/sale	None
Wishek	Sales, Use and Gross Receipts	1% 4-1-97 ½% 1-1-13	155	1½%	None	$25/sale - 4-1-97 None - 1-1-07	3% Max.-$83.33/ month or $250.00/quarter
Woodworth	Sales, Use and Gross Receipts	1% 1-1-09	224	1%	Coin-operated vending sales of 99 cents or less	$30/sale	None
Wyndmere	Sales, Use and Gross Receipts	2% 10-1-11	228	2%	New farm machinery New farm irrigation equipment Coin-operated vending sales of 99 cents or less	None	None

County	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Steele[3]	Sales, Use and Gross Receipts	1% 4-1-05	503	1%	Coin-operated vending sales of 99 cents or less	$25/sale	None
Walsh[2]	Sales, Use and Gross Receipts	¼% 4-1-01	502	¼%	New farm machinery New farm irrigation equipment	$25/sale	None
Cass County[5]	Sales, Use and Gross Receipts	½% 10-1-99 (½%) 4-1-03 ½% 4-1-11	501	½%	None	$12.50/sale	None

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Local Option Sales, Use and Gross Receipts Taxes as of July 1, 2016

County	Tax Type	Rate Increase (Decrease)	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Williams[4]	Sales and Use Only Sales, Use and Gross Receipts	½% 10-1-06 (½%) 10-1-12 1% 4-1-15	504	0% 1%	None	$12.50/sale - 10-1-06 0/sale - 10-1-12 None - 4-1-15	None
Ward County[6]	Sales and Use Only Sales, Use and Gross Receipts	½% 4-1-13 10-1-15	505	½%	Coin-operated vending sales of 99 cents or less	$12.50/sale	None
Burleigh County[7]	Sales, Use and Gross Receipts	½% 10-1-14	506	½%	None	$25/sale	3% Max.-$83.33/ month or $250.00/quarter
Morton County[8]	Sales, Use and Gross Receipts	½% 10-1-14	507	½%	None	$25/sale	3% Max.-$83.33/ month or $250.00/quarter

Tribal Tax	Tax Type	Rate	Location Code	Current Rate	Not Subject to Local Tax	*Maximum Tax (Refund Cap)	Permit Holder Compensation
Standing Rock Sioux Tribe	Sales and Use Alcohol New Farm Machinery, New Farm Irrigation, & Manufactured Homes	¼% 7-1-16 ¼% 7-1-16 ¼% 7-1-16	700 701 702	¼% ¼% ¼%	None None None	None None None	None None None

County Tax

[1] **Park River Rate:** From 1-1-05 through 6-30-05 the city sales tax rate was 2 percent and the use tax rate was 1 percent. Effective 7-1-05 both the sales, use and gross receipts tax are at 2 percent.

[2] **Walsh County:** Edinburg, Grafton, Hoople, Minto and Park River have city taxes and are located within Walsh County. The county sales, use and gross receipts tax is in addition to state and city sales, use and gross receipts tax.

[3] **Steele County:** Finley and Hope have city taxes and are located within Steele County. The county sales, use and gross receipts tax is in addition to state and city sales, use and gross receipts tax.

[4] **Williams County:** Grenora, Ray, Tioga, and Williston have city taxes and are located within Williams County. The county sales and use tax is in addition to state and city sales, use and gross receipts tax.

[5] **Cass County:** Buffalo, Casselton, Fargo, Harwood, Kindred, Leonard, Mapleton, Oxbow, Page, Tower City, and West Fargo have city taxes and are located within Cass County. The county sales, use and gross receipts tax is in addition to state and city sales, use, and gross receipts tax.

[6] **Ward County:** Berthold, Kenmare, Minot, and Surrey have city taxes and are located within Ward County. The county sales and use tax is in addition to state and city sales, use, and gross receipts tax.

[7] **Burleigh County:** Bismarck and the southern portion of the city of Wilton are located within Burleigh County. For sales made or items purchased for storage, use, or consumption in these cities, you must collect or remit 5% state tax, applicable city tax, and ½% Burleigh county tax. For sales made outside the city limits in these cities, but within the boundaries of Burleigh County, the tax due is 5.5% (5% state tax and ½% Burleigh County tax).

[8] **Morton County:** Glen Ullin, Mandan, and New Salem have city taxes and are located within Morton County. The county sales, use, and gross receipts tax is in addition to state and city sales, use, and gross receipts tax.

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STATE AND TRIBAL SALES TAXES

The Office of State Tax Commissioner has prepared a number of sales and use tax guidelines that provide a better understanding of the North Dakota sales and use laws. These guidelines are available on our web site at ***www.nd.gov/tax***.

State Sales Tax Rates:

- 3 percent on the total receipts from retail sales of new mobile homes. (Used mobile homes are exempt.)
- 5 percent on the total receipts from all other taxable retail sales of tangible personal property and services except where alcohol or farm machinery gross receipts taxes apply.

Gross Receipt Tax Rates:

- 3 percent on the gross receipts from retail sales of new farm machinery and new irrigation equipment used exclusively for agricultural purposes. (Used farm machinery and used irrigation equipment used exclusively for agricultural purposes are exempt.)
- 7 percent on the gross receipts from retail sales of alcoholic beverages sold for consumption either on or off-the-premises.

* The 1 percent tax on the gross receipts from the leasing or renting of hotel, motel or tourist court accommodations for period of less than 30 consecutive days, excluding bed and breakfast accommodations is no longer applicable. It was in effect from 7-1-03 to 6-30-07.

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