STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
Ryan Rauschenberger, Commissioner

To: Stanley Sales, Use, and Gross Receipts Tax Permit Holders

From: Office of State Tax Commissioner, Tax Compliance Section

Subject: Stanley Sales, Use, and Gross Receipts Tax

Date: October 31, 2014

At the present time, the city of Stanley has a one and one-half percent (1-1/2%) city sales, use and gross receipts tax in place. Effective December 31, 2014, one percent (1%) will sunset. ***The city of Stanley has adopted an ordinance to continue the 1-1/2% city sales, use and gross receipts tax effective January 1, 2015.*** This new ordinance continues the local tax at one and one-half percent (1-1/2%) with no additional changes.

- Maximum Tax (Refund Cap) – remains at $25 per sale
- Exempts new farm machinery
- 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)
- Sunset date will be December 31, 2020
- Permit holder compensation is included at 3%, with maximum of $83.33/month and $250/quarter
- Proceeds will be used for municipal and recreational improvements, economic development and the medical center

The Office of State Tax Commissioner has contracted with the city of Stanley 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 January 1, 2015, the combined state and city rates within the city limits of Stanley will be as follows:

- General sales and use tax: 6.5 percent (5% state + 1-1/2% city)
- New farm machinery: 3 percent (3% state + exempt city)
- New farm irrigation equipment: 4.5 percent (3% state + 1-1/2% city)
- New mobile homes: 4.5 percent (3% state + 1-1/2% city)
- Lodging:
    - Hotel, Motel and Tourist Court Accommodations, and Bed & Breakfast Accommodations licensed under North Dakota Century Code ch. 23-09.1:
      6.5 percent (5% state + 1-1/2% city)
- Restaurant (sale of food and non-alcoholic beverages): 6.5 percent (5% state + 1-1/2% city)
- Alcoholic Beverages:
    - Off-sale alcoholic beverages: 8.5 percent (7% state + 1-1/2% city gross receipts)
    - On-sale alcoholic beverages: 8.5 percent (7% state + 1-1/2% city gross receipts)

Questions concerning the Stanley 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.