



NORTH DAKOTA OFFICE OF STATE TAX COMMISSIONER GUIDELINE - SALES TAX: WILLIAMS COUNTY SALES AND USE TAX

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TAX COMMISSIONER

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INTRODUCTION

The voters in Williams County approved the imposition of a 1 percent county sales, use, and gross receipts tax effective April 1, 2015. The Office of the State Tax Commissioner is the collection agent for the tax. The Williams County tax is reported and remitted on the same tax return as the state sales tax eliminating the need for additional registration, multiple reporting forms and multiple tax payments. The Office of State Tax Commissioner assumes full responsibility for collection of the combined taxes including delinquency control, auditing, and collection activity.

SALES, USE, AND GROSS RECEIPTS TAX

The Williams County tax is in addition to state and city sales, use, and gross receipts taxes.

The following is a brief synopsis of the Williams County sales, use, and gross receipts tax:

- Reported under local tax code 504 on the state sales tax return (Forms ST)
- No maximum tax (Refund Cap)
- No provision for Permit Compensation
- Exempts contracts bid prior to effective date
- Does not provide for any additional exemptions from imposition and computation of the county sales, use, and gross receipts tax other than those provided by state law

IMPOSITION OF TAX

All transactions subject to North Dakota sales, use, and gross receipts tax are subject to Williams County sales, use, and gross receipts tax. All exemptions granted by the North Dakota sales, use, and gross receipts tax are also granted by Williams County. The proper execution of an exemption certificate exempts sales from state, county, and city sales, use, and gross receipts taxes. A certificate may not be used to exempt only the state or local taxes; either the activity is exempt from all state and local taxes or it is subject to all state and local taxes.

The county sales tax of 1 percent is in addition to state and local taxes imposed. The Williams County cities of Grenora, Ray, Tioga, and Williston each impose a local tax. Williams County retailers delivering goods into any of these cities or having customers take possession of goods within any of these cities will be required to collect the applicable state sales tax, the Williams County 1 percent tax and any applicable city sales tax. When a Williams County retailer delivers goods anywhere else within Williams County, the retailer must collect North Dakota sales tax and Williams County tax.

MAXIMUM TAX AMOUNTS

No maximum tax provision was included in the Williams County ordinance.

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CITIES WITHIN WILLIAMS COUNTY

The following cities are located within Williams County, and where noted, have city tax:

Alamo*	Grenora*-1%	Spring Brook*
Appam	Hamlet	Temple
Avoca	Hanks	Tioga*-2½%
Bonetraill	Lake Jessie	Trenton
Buford	Marley	West Bonetraill
Corinth	McGregor	Wheelock
Epping*	Marmon	Wildrose*
Gladys	Ray*-2%	Williston*-2%
		Zahl

* incorporated

If a retailer chooses to collect only the maximum tax identified in the local jurisdiction's ordinance, each tax must be calculated separately to determine the maximum tax due. For example, the tax on a \$6,000 sale in Grenora totals \$350.00 ($\$6,000 \times 5\% = \300.00 ND tax + $\$6,000 \times 1\% = \60.00 Grenora tax (but maximum tax for Grenora is \$25.00) + $\$6,000 \times 1\% = \60.00 Williams County tax. Total tax: $\$300.00 + \$25.00 + \$60.00 = \385.00

COMBINED STATE, COUNTY, AND CITY SALES TAX RATES

The Office of State Tax Commissioner has developed rate tables which combine state sales tax, county sales tax, and applicable city sales tax. Rate charts are available free of charge from the Office of State Tax Commissioner or may be downloaded from the Tax Commissioner's website: www.nd.gov/tax/salesanduse/pubs/. The following combined tax rates apply for retailers located in Williams County. The applicable local rate applies to the total amount of the transaction unless the retailer has voluntarily provided credit to the customer for amount of the tax in excess of the maximum tax due. The table reflects exemptions granted by the cities or the county that are not allowed by state law.

CITIES WITHIN WILLIAMS COUNTY WITH CITY TAXES

The following chart provides examples of cities within Williams County that have city taxes and identifies the rates at which tax should be charged (rates effective April 1, 2015):

**Combined State, City, and County Tax Rates for Williams County
When Customer Takes Possession In:**

	Grenora	Ray	Tioga	Williston	Williams County locations w/no city tax
General Sales & Use Tax	7.00%	8.00%	8.50%	8.00%	6.00%
New Farm Machinery	5.00%	6.00%	4.00%	4.00%	4.00%
New Farm Irrigation Equipment	5.00%	6.00%	6.50%	4.00%	4.00%
New Mobile Homes	5.00%	6.00%	6.50%	6.00%	4.00%
Lodging-Hotel, Motel, & Tourist Court Accommodations	7.00%	9%*	10.5%**	11.0%***	6.00%
Lodging-Bed & Breakfast Accommodations licensed under N.D.C.C. § 23-09.1	7.00%	8.00%	8.50%	9.0%***	6.00%
Alcoholic Beverages	9.00%	10.00%	10.50%	10.00%	8.00%

Note: Ray also imposes a 1%, and Tioga and Williston also impose a 2% City Lodging tax; Williston also imposes a 1% City Lodging & Restaurant tax.

* Includes 1% City Lodging tax

** Includes 2% City Lodging tax

*** Includes 2% City Lodging tax and 1% City Lodging & Restaurant tax

CONTRACTORS

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

Construction material purchased within Williams County for use inside the county is subject to county tax. Construction material purchased from a Williams County retailer but delivered by the retailer outside Williams County for use outside the county is not subject to the county tax. Contractors that take delivery of materials inside Williams County but provide a streamlined exemption certificate to avoid payment of the tax at the time of purchase, are subject to Williams County use tax when the goods are installed regardless whether the goods are used inside or outside of Williams County. Construction material purchased outside Williams County but used inside Williams County is subject to county use tax if the materials already have not been subjected to a combined tax at the applicable state, county, and city rate.

Williams County sales and use tax does not apply to construction material used to fulfill contracts bid prior to April 1, 2015.

For additional information relating to the application of local taxes, please refer to the Local Option Taxes by Location guideline.

Questions concerning the Williams County sales, use, and gross receipts taxes 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, Sales and Special Taxes, 600 E. Boulevard Ave., Dept 127, Bismarck ND 58505-0599.