



STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
RYAN RAUSCHENBERGER, COMMISSIONER

To: Milnor Sales, Use, and Gross Receipts Tax Permit Holders
From: Office of State Tax Commissioner, Tax Compliance Section
Subject: Milnor Sales, Use, and Gross Receipts Tax
Date: July 29, 2016

At the present time, the city of Milnor has a one and one-half percent (1.5%) city sales, use, and gross receipts tax in place. ***Effective October 1, 2016, the Milnor city sales, use, and gross receipts tax will be two and one-half percent (2.5%).*** The following applies:

- Maximum Tax (Refund Cap) will remain at \$25/sale
- New farm machinery is exempt
- Does not exempt contracts awarded prior to effective date
- No sunset date provided
- No permit holder compensation is included
- Proceeds will be used for expanding residential lot availability

The Office of State Tax Commissioner has contracted with the city of Milnor 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 October 1, 2016, the combined state and city rates within the city limits of Milnor will be as follows:

- General sales and use tax: 7.5 percent (5% state + 2.5% city)
- New farm machinery: 3 percent (3% state + exempt city)
- New farm irrigation equipment: 5.5 percent (3% state + 2.5% city)
- New mobile homes: 5.5 percent (3% state + 2.5% city)
- Lodging:
 - Hotel, Motel and Tourist Court Accommodations, and Bed & Breakfast Accommodations licensed under North Dakota Century Code ch. 23-09.1:
7.5 percent (5% state + 2.5% city sales)
- Restaurant (sale of food and non-alcoholic beverages): 7.5 percent (5% state + 2.5% city sales)
- Alcoholic Beverages:
 - Off-sale alcoholic beverages: 9.5 percent (7% state + 2.5% city gross receipts)
 - On-sale alcoholic beverages: 9.5 percent (7% state + 2.5% city gross receipts)

Questions concerning the Milnor 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 email 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.