



Sales Tax Newsletter

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CASS COUNTY TO IMPOSE LOCAL SALES TAX

Effective October 1, 1999, Cass County will impose a ½ percent sales tax. The county tax will apply to all sales made by retailers located within Cass County when the taxable goods or services are delivered within the county boundaries. The county tax is in addition to any city sales taxes imposed within the county. The county sales tax does not apply to retailers located outside Cass County who are delivering goods into the county because the county ordinance imposes a sales tax only and does not include an accompanying use tax. Detailed information will be mailed to all retailers located within Cass County after the county ordinance is finalized.

1999 LEGISLATIVE CHANGES

Farm Machinery, Farm Machinery Repair Parts, & Farm Irrigation Equipment

Effective May 1, 1999, House Bill 1487 and Senate Bill 2217 impose a special sales tax rate of 1½% on sales of used farm machinery, all farm machinery repair parts and used farm irrigation equipment. The special tax rate of 1½% will apply through June 30, 2001. To qualify as used, the farm machinery must meet one of the following standards:

- a. Has been subject to North Dakota sales tax on a previous sale;
- b. Was originally purchased outside this state and previously owned by a farmer; or
- c. Has been under lease for three years or more.

Farm machinery or irrigation equipment not meeting at least one of these standards will be subject to the 3% tax rate. New farm machinery, new attachments for farm

machinery, and new irrigation equipment will continue to be taxed at the sales tax rate of 3%

Sale of Fireworks

Senate Bill 2437 will provide for the sale of fireworks during the period of December 26, 1999, through January 1, 2000. The sale of fireworks for the *Year 2000 Celebration* will be handled in the same manner as fireworks sales for the July 4th celebration. A sales tax permit will be necessary for such sales. To obtain a sales tax permit to sell fireworks for the *Year 2000 Celebration*, we would ask that you contact our office no later than December 1, 1999.

Additional Legislation

- Current sales and use tax law provides that a corporate officer may be personally liable for the failure of the corporation to file the required sales tax returns or for tax payments. Effective August 1, 1999, Senate Bill 2155 will add a bonding or cash deposit option for taxpayers that wish to waive the liability of the corporate officers.
- House Bill 1110 provides for a motor vehicle exemption to motor vehicles leased to disabled veterans, permanently disabled persons, or parochial or private nonprofit schools on or after August 1, 1999. The exemption will continue to allow only one motor vehicle to be owned or leased by the disabled veteran or the permanently disabled person at any one time.
- Effective March 31, 1999, House Bill 1082 places a restriction on the size of cigarette packages sold or distributed in this state. All cigarette packages must contain twenty or more cigarettes each.

Need Assistance?

Please direct sales tax questions or concerns to:

Office of State Tax Commissioner
Sales Tax Compliance
Phone: (701)328-3470
Toll free within state: 1-800-638-2901, option 4
Hearing/Speech Impaired TTY 1-800-366-6888
(Relay ND)
Fax: (701)328-3700
E-mail: salestax@state.nd.us
Website: <http://www.state.nd.us/taxdpt>

TAX GUIDELINES

Following is a list of all our tax guidelines and their most recent revision date. To request a guideline, please contact our office or you may find it on the Internet at www.state.nd.us/taxdpt

Advertising Agencies	1997, September	Home Furnishings Supply Stores	1997, April
American Indians, Sales to Auctioneers	1997, January	Hotels and Motels	1997, April
Auto Part Supply Stores	1997, April	Licensed Motor Vehicle Dealers	1998, March
Bars, Lounges, and Taverns	1997, June	Local Option Taxes	1999, March
Bowling Alleys	1997, April	Montana or Canadian Residents, Sales to	
Clubs and Lodges	1997, April	Nurseries, Greenhouses, and Florists	1997, April
Coin-Operated Machines	1997, January	Orthopedic Supply Stores	1997, April
Computers	1997, April	Out of State Retailers	1997, April
Contractors	1999, January	Photographers, Photofinishers And Video Stores	1997, September
Dental Supply Companies, Dental Laboratories and Dentists	1997, November	Printers and Publishers	1997, July
Discount and Coupons	1997, September	Radio and Television	1997, January
Drugstores	1997, June	Rental and Leasing Companies	1997, June
Exempt Organizations	1997, April	Requirements, Sales & Use Tax	1999, April
Exemptions	1997, January	Restaurants	1997, April
Eye Care Specialists	1997, April	Service Stations & Garages	1997, April
Farm Machinery and Farm Irrigation Equipment	1999, April	Shooting Preserves, Game Farms, and Hunting Clubs	1997, October
Feed, Seed and Farm Chemicals	1997, May	Sign Companies	1997, June
Financial Institutions	1997, April	Snowmobiles and ATV's	1998, October
Fitness Centers	1999, April	Soft Drink Bottlers	1997, September
Freight, Delivery, and Other Transportation Charges	1997, June	Veterinarians	1997, April
Funeral Homes	1997, April	Welding and Machine Shops	1997, September
Gaming Activities	1998, April		
Grocery Stores, Convenience Stores and Delicatessens	1998, July		

Notice of Attorney General Regarding the North Dakota Bad Check Law

House Bill 1243, as adopted by the 1999 Legislative Assembly amends the North Dakota bad check law. Under the new provisions of the law, criminal penalties have been changed:

Infraction (\$500 fine only) - no more than \$50 in bad checks.

Class B misdemeanor (\$1,000 fine or 30 days jail) - bad checks of between \$50 and \$250 or a prior bad check offense in the past 3 years.

Class A misdemeanor (\$2,000 fine or 1 year jail) - bad checks of more than \$500 or 3 or more bad check violations in the past 5 years.

The monetary amounts of bad checks is determined by either using individual check amounts or aggregating the total of all bad checks.

It is now a **Class C felony** to issue an individual or aggregate total of no account checks in an amount more than \$500.

A significant change is the **requirement** that the holder of the bad check, or the representative of the check's holders, **send a notice of dishonored check** to the issuer of the check **before** the check is presented to the state's attorney for prosecution.

House Bill 1243 was adopted as an **EMERGENCY MEASURE** and its effective date is: **April 8, 1999.**

