



## CITY OF NEW SALEM SALES, USE & GROSS RECEIPTS TAX

At the present time, the City of New Salem has a 1 percent city sales, use, and gross receipts tax in place. Effective January 1, 2019, the City of New Salem has adopted an ordinance to increase its city sales, use, and gross receipts tax by 1 percent. The tax rate for New Salem starting January 1, 2019, will be 2 percent. No other changes were made to the ordinance. The following applies:

- Contracts bid prior to January 1, 2019, are exempt from the rate increase

The Office of State Tax Commissioner has contracted with the City of New Salem 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 3<sup>rd</sup> decimal place. If the 3<sup>rd</sup> 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](#).

Effective January 1, 2019, the combined state, county, and city rates within the city limits of New Salem will be as follows:

- General sales and use tax: 7.5 percent (5 percent state + 0.5 percent county + 2 percent city)
- New farm machinery: 5.5 percent (3 percent state + 0.5 percent county + 2 percent city)
- New farm irrigation equipment: 5.5 percent (3 percent state + 0.5 percent county + 2 percent city)
- New manufactured homes: 5.5 percent (3 percent state + 0.5 percent county + 2 percent 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 percent state + 0.5 percent county + 2 percent city)
- Restaurant (sale of food and non-alcoholic beverages): 7.5 percent (5 percent state + 0.5 percent county + 2 percent city)
- Alcoholic Beverages:
  - Off-sale alcoholic beverages: 9.5 percent (7 percent state + 0.5 percent county + 2 percent city)
  - On-sale alcoholic beverages: 9.5 percent (7 percent state + 0.5 percent county + 2 percent city)

Questions concerning the New Salem 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](mailto:salestax@nd.gov), or by mail at Office of State Tax Commissioner, Tax Compliance Section, 600 E Boulevard, Dept. 127, Bismarck, ND 58505-0599.