Guideline
Sales Tax
Steele County Sales and Use Tax

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Tax Commissioner

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Sales, Use and Gross Receipts Tax
Steele County has a 1 percent sales, use and gross receipts tax that became effective April 1, 2005. The Steele County tax is in addition to state and city sales, use and gross receipts taxes.

The following is a brief synopsis of the Steele County sales, use and gross receipts tax:
• Reported under local tax code 503 on the state sales tax return (Form ST)
• Maximum Tax (Refund Cap) of $25.00 per transaction
• Coin-operated vending sales of 99 cents or less and Coin-operated amusement are exempt
• Does not provide for Permit Holder Compensation

Refund Cap
Effective October 1, 2005, a change in North Dakota Century Code required retailers to begin collecting the full amount of local tax without regard to the Maximum Tax (Refund Cap) identified in the local jurisdiction’s ordinance. When a refund cap applies, the purchaser may apply to the Office of State Tax Commissioner for a refund of the amount of local tax paid in excess of the Maximum Tax (Refund Cap) identified in the ordinance. Effective July 1, 2007, retailers may choose to issue a refund directly to the customer in the amount due. If this occurs, no refund would be due from the Office of State Tax Commissioner.

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

- Blabon
- Colgate
- Finley*-1%
- Hope*-1%
- Luverne*
- Sharon*
- Sherbrooke

* incorporated
Cities within Steele County with City Taxes
The following chart identifies the cities within Steele County that have city taxes and identifies the rates at which tax should be charged (rates effective April 1, 2011).

### Combined State, City, and County Tax Rates for Steele County When Customer Takes Possession In:

<table>
<thead>
<tr>
<th>item</th>
<th>Finley</th>
<th>Hope</th>
<th>Steele County locations w/no city tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Sales &amp; Use Tax</td>
<td>7.00%</td>
<td>7.00%</td>
<td>6.00%</td>
</tr>
<tr>
<td>New Farm Machinery</td>
<td>5.00%</td>
<td>5.00%</td>
<td>4.00%</td>
</tr>
<tr>
<td>New Farm Irrigation Equipment</td>
<td>5.00%</td>
<td>5.00%</td>
<td>4.00%</td>
</tr>
<tr>
<td>New Mobile Homes</td>
<td>5.00%</td>
<td>5.00%</td>
<td>4.00%</td>
</tr>
<tr>
<td>Gross Receipts from Coin-Operated Amusement</td>
<td>5.00%*</td>
<td>5.00%*</td>
<td>5.00%*</td>
</tr>
<tr>
<td>Gross Receipts from Coin-Operating Vending Sales of 99 cents or less</td>
<td>7.00%</td>
<td>7.00%</td>
<td>5.00%**</td>
</tr>
<tr>
<td>Lodging-Hotel, Motel, &amp; Tourist Court Accommodations</td>
<td>7.00%</td>
<td>7.00%</td>
<td>6.00%</td>
</tr>
<tr>
<td>Lodging-Bed &amp; Breakfast Accommodations licensed under N.D.C.C. § 23-09.1</td>
<td>7.00%</td>
<td>7.00%</td>
<td>6.00%</td>
</tr>
<tr>
<td>Alcoholic Beverages</td>
<td>9.00%</td>
<td>9.00%</td>
<td>8.00%</td>
</tr>
</tbody>
</table>

* Coin-Operated Amusement is exempt from Finley, Hope, and Steele County tax
** Coin-Operated Vending sales of 99 cents or less are exempt from Steele County tax

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

Questions concerning the Steele 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.