

**Tax Commissioner  
Budget No. 127  
Senate Bill No. 2006**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2015-17 legislative appropriations</b>	<b>136.00</b>	<b>\$58,769,918</b>	<b>\$125,000</b>	<b>\$58,894,918</b>
2015-17 base budget	134.00	56,054,140	125,000	56,179,140
Legislative increase (decrease) to base budget	2.00	\$2,715,778	\$0	\$2,715,778

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

	<b>Ongoing General Fund Appropriation</b>	<b>One-Time General Fund Appropriation</b>	<b>Total General Fund Appropriation</b>
<b>2015-17 legislative appropriations</b>	<b>\$58,761,918</b>	<b>\$8,000</b>	<b>\$58,769,918</b>
2013-15 legislative appropriations	56,054,140	1,000,000	57,054,140
2015-17 legislative increase (decrease) to 2013-15 appropriations	\$2,707,778	(\$992,000)	\$1,715,778
Percentage increase (decrease) to 2013-15 appropriations	4.8%	(99.2%)	3.0%

**SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS**

**Salaries and Wages**

The legislative action affecting the recommended appropriation for the Tax Commissioner is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2015.

	<b>Changes to Base Budget</b>			<b>Total</b>
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	
The legislative action:				
Added funding for base payroll changes for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.		\$649,895		\$649,895
Added funding for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year.		825,685		825,685
Added funding for employee health insurance premiums to reflect a premium estimate of \$1,130.22 per month.		484,832		484,832
Added funding for a research analyst position (\$133,597) and a property tax specialist position (\$33,399) and related operating expenses (\$19,615).	2.00	186,611		186,611

Added funding for GenTax contracts (\$200,000), temporary wages and postage (\$296,315), and other operating expenses (\$64,440).		560,755		560,755
Added one-time funding for digital scanners.		8,000		8,000
Total	2.00	\$2,715,778	\$0	\$2,715,778

#### FTE Changes

The Legislative Assembly approved 136 FTE positions, an increase of 2 FTE positions from the 2013-15 biennium authorized level of 134 FTE positions. The new positions include a research analyst position and a property tax specialist position.

#### One-Time Funding

In Section 2 of Senate Bill No. 2006, the Legislative Assembly identified \$8,000 of one-time funding from the general fund for the 2015-17 biennium for digital scanners.

#### Other Sections in Bill

**Motor vehicle fuel taxes** - Section 3 provides for a transfer of \$2,030,496 from motor vehicle fuel tax collections to the general fund related to the Tax Commissioner's expenses incurred in the collection of the motor vehicle fuels and special fuels taxes and the administration of these taxes.

**Exemption** - Section 4 provides an exemption for the \$16,000 appropriated in the capital assets line item to the Tax Department in the 2013-15 biennium. As a result, \$40,000 will be available to the department to purchase digital scanners, of which \$16,000 is from carryover authority, \$16,000 is included in the department's base budget, and \$8,000 of one-time funding was added by the Legislative Assembly.

**Salary of Tax Commissioner** - Section 5 provides statutory changes to North Dakota Century Code Section 57-01-04 relating to the salary of the Tax Commissioner. The Legislative Assembly authorized 2015-17 biennium annual salary increases of 3 percent. The Tax Commissioner's salary is to be increased from the current level of \$108,202 to \$111,448 effective July 1, 2015, and to \$114,791 effective July 1, 2016.

#### Related Legislation

**House Bill No. 1059 - Homestead tax credit** - Amends Section 57-02-08.1 to expand the homestead tax credit by increasing the maximum homestead value from \$100,000 to \$125,000. The estimated fiscal impact for the 2015-17 biennium is \$1.2 million of additional tax credits.

**House Bill No. 1133 - Overpayments and refunds** - Allows the Tax Commissioner to offset future distributions of tax collections related to overpayments, requires tax refunds to be at least \$5 before a payment is issued, and provides technical corrections for consistency and clarity.

**Senate Bill No. 2113 - Disabled veterans' tax credit** - Expands the disabled veterans' tax credit by changing the taxable valuation from the value of the fixtures, buildings, and improvements of the property to the value of the property. The fiscal impact for the 2015-17 biennium is estimated to be minimal.

**Senate Bill No. 2115 - Assessment changes** - Allows the Tax Commissioner to accept reduced tax collections from taxes assessed but not yet paid if the taxpayer provides information verifying that the assessment exceeds the actual amount due.