

Sixty-third
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2325

Introduced by

Senators Burckhard, Cook, Dotzenrod

Representatives Belter, S. Kelsh

1 A BILL for an Act to amend and reenact [subsection 3 of section 57-33.2-01](#) and section
2 57-33.2-03 of the North Dakota Century Code, relating to reduction of the distribution tax rate
3 for companies engaged in the distribution of electricity; and to provide an effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Subsection 3 of section 57-33.2-01 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 3. "Company" means an individual, partnership, corporation, limited liability company,
8 limited liability partnership, cooperative, or any other organization or association
9 engaged in generation, distribution, or transmission of electricity. A company subject to
10 taxation under chapter 57-06, is not a "company" for purposes of this chapter unless it
11 files an irrevocable election with the commissioner to be treated as a company under
12 this chapter by October 1, ~~2009~~[2013](#), for taxable periods after December 31,
13 ~~2009~~[2013](#); by October 1, ~~2010~~[2014](#), for taxable periods after December 31,
14 ~~2010~~[2014](#); by October 1, ~~2011~~[2015](#), for taxable periods after December 31, ~~2011~~[2015](#);
15 or by October 1, ~~2012~~[2016](#), for taxable periods after December 31, ~~2012~~[2016](#).
16 Property subject to taxation under this chapter which is owned by a company that is
17 otherwise taxable under chapter 57-06 which files an election under this chapter is
18 exempt from taxation under chapter 57-06.

19 **SECTION 2. AMENDMENT.** Section 57-33.2-03 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **57-33.2-03. Distribution taxes.**

22 A distribution company is subject to a tax at the rate of ~~one dollar~~[eighty-five cents](#) per
23 megawatt-hour for retail sale of electricity delivered to a consumer in this state during the
24 calendar year. Distribution taxes under this section do not apply to the sale of electricity to any

1 coal conversion facility that became operational before January 1, 2009, and which is subject to
2 taxation under chapter 57-60.

3 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
4 December 31, 2012.