

Sixty-fifth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1006

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the office of the
2 tax commissioner and for payment of state reimbursement under the homestead tax credit and
3 disabled veterans' credit; to provide for a continuing appropriation; to provide for transfers; to
4 provide an exemption; to create and enact a new section to chapter 57-01 of the North Dakota
5 Century Code, relating to a multistate tax audit fund; and to declare an emergency.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the tax commissioner for the purpose of defraying the expenses of the tax
11 commissioner and paying the state reimbursement under the homestead tax credit and
12 disabled veterans' credit, for the biennium beginning July 1, 2017, and ending June 30, 2019,
13 as follows:

	Base Level	Adjustments or Enhancements	Appropriation
16 Salaries and wages	\$21,528,135	\$73,448	\$21,601,583
17 Operating expenses	7,628,262	(878,967)	6,749,295
18 Capital assets	16,000	(10,000)	6,000
19 Homestead tax credit	18,690,000	(2,690,000)	16,000,000
20 Disabled veterans' credit	7,175,091	(264,891)	6,910,200
21 Total all funds	\$55,037,488	(\$3,770,410)	\$51,267,078
22 Less estimated income	125,000	0	125,000
23 Total general fund	\$54,912,488	(\$3,770,410)	\$51,142,078
24 <u>Salaries and wages</u>	<u>\$21,528,135</u>	<u>\$195,869</u>	<u>\$21,724,004</u>

1	<u>Operating expenses</u>	<u>7,628,262</u>	<u>(878,967)</u>	<u>6,749,295</u>
2	<u>Capital assets</u>	<u>16,000</u>	<u>(10,000)</u>	<u>6,000</u>
3	<u>Homestead tax credit</u>	<u>18,690,000</u>	<u>(3,890,000)</u>	<u>14,800,000</u>
4	<u>Disabled veterans' credit</u>	<u>7,175,091</u>	<u>935,109</u>	<u>8,110,200</u>
5	<u>Total all funds</u>	<u>\$55,037,488</u>	<u>(\$3,647,989)</u>	<u>\$51,389,499</u>
6	<u>Less estimated income</u>	<u>125,000</u>	<u>0</u>	<u>125,000</u>
7	<u>Total general fund</u>	<u>\$54,912,488</u>	<u>(\$3,647,989)</u>	<u>\$51,264,499</u>
8	Full-time equivalent positions	136.00	(3.00)	133.00

9 **SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in
10 section 1 of this Act includes the sum of ~~\$380,646~~\$353,067 from the general fund for increases
11 in employee health insurance premiums from \$1,130 to ~~\$1,249~~\$1,241 per month.

12 **SECTION 3. ONE-TIME FUNDING.** The following amounts reflect the one-time funding
13 items approved by the sixty-fourth legislative assembly for the 2015-17 biennium:

14	<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
15	Scanners	<u>\$8,000</u>	<u>\$0</u>
16	Total general fund	<u>\$8,000</u>	<u>\$0</u>

17 **SECTION 4. LINE ITEM TRANSFERS - 2015-17 BIENNIUM.** The state tax commissioner
18 may transfer funds between the homestead tax credit and disabled veterans' tax credit line
19 items in section 1 of chapter 40 of the 2015 Session Laws if one line item does not have
20 sufficient funds available for state reimbursement of eligible tax credits. The state tax
21 commissioner shall notify the office of management and budget and the legislative council of
22 any transfers made pursuant to this section.

23 **SECTION 5. LINE ITEM TRANSFERS - 2017-19 BIENNIUM.** The state tax commissioner
24 may transfer funds between the homestead tax credit and disabled veterans' tax credit line
25 items in section 1 of this Act if one line item does not have sufficient funds available for state
26 reimbursement of eligible tax credits. The state tax commissioner shall notify the office of
27 management and budget and the legislative council of any transfers made pursuant to this
28 section.

29 **SECTION 6. TRANSFER.** There is transferred to the general fund in the state treasury out
30 of motor vehicle fuel tax revenue collected pursuant to section 57-43.1-02, the sum of
31 \$2,016,120 for the purpose of reimbursing the general fund for expenses incurred in the

1 collection of the motor vehicle fuels and special fuels taxes and the administration of these
2 taxes for the biennium beginning July 1, 2017, and ending June 30, 2019.

3 **SECTION 7. EXEMPTION - SALES TAX AUDIT POSITION.** Up to \$75,000 of the amount
4 appropriated from the general fund to the tax commissioner in section 1 of chapter 40 of the
5 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this
6 amount are available to provide salaries and wages funding for a sales tax audit position during
7 the biennium beginning July 1, 2017, and ending June 30, 2019.

8 **SECTION 8.** A new section to chapter 57-01 of the North Dakota Century Code is created
9 and enacted as follows:

10 **Multistate tax audit fund - Continuing appropriation - Transfers to the general fund.**

11 There is created in the state treasury the multistate tax audit fund. The fund consists of all
12 moneys collected and received by the tax commissioner as a result of participation in the
13 multistate tax commission audit and nexus programs. All moneys in the fund are appropriated to
14 the tax commissioner on a continuing basis to pay the multistate tax commission audit and
15 nexus program fees. On or before June thirtieth of each year, the tax commissioner shall certify
16 to the state treasurer the amount of accumulated funds in the multistate tax audit fund which
17 exceed the audit and nexus program fees for the following year. The state treasurer shall
18 transfer the certified amount from the multistate tax audit fund to the general fund prior to the
19 end of each fiscal year.

20 **SECTION 9. EMERGENCY.** Section 4 of this Act is declared to be an emergency measure.