

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1212

Introduced by

Representatives Dockter, Headland, Mitskog

Senators Meyer, Bell

1 A BILL for an Act to create and enact a new section to chapter 53-06.1 of the North Dakota
2 Century Code, relating to the creation of a charitable gaming operating fund; to amend and
3 reenact section 53-06.1-12 of the North Dakota Century Code, relating to charitable gaming tax;
4 to provide a continuing appropriation; to provide for a transfer; and to provide an effective date.

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

6 **SECTION 1.** A new section to chapter 53-06.1 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Charitable gaming operating fund - Attorney general - State treasurer - Continuing**
9 **appropriation - Allocations - Transfer to the general fund.**

- 10 1. There is created in the state treasury the charitable gaming operating fund. The fund
11 consists of all gaming taxes, monetary fines, and interest and penalties collected
12 under this chapter.
- 13 2. Excluding moneys in the charitable gaming operating fund appropriated by the
14 legislative assembly for administrative and operating costs associated with charitable
15 gaming, all other moneys in the charitable gaming operating fund are appropriated to
16 the attorney general on a continuing basis for quarterly allocations as follows:
- 17 a. Ten thousand dollars to the gambling disorder prevention and treatment fund.
- 18 b. Five percent of the total moneys deposited in the charitable gaming operating
19 fund to cities and counties in proportion to the taxes collected under section
20 53-06.1-12 from licensed organizations conducting games within each city, for
21 sites within city limits, or within each county, for sites outside city limits. If a city or
22 county allocation is less than two hundred dollars, that city or county is not
23 entitled to receive a payment for the quarter and the undistributed amount must

1 be included in the total amount to be distributed to other cities and counties for
2 the quarter.

3 3. On or before June thirtieth of each odd-numbered year, the attorney general shall
4 certify to the state treasurer the amount of accumulated funds in the charitable gaming
5 operating fund which exceed the amount appropriated by the legislative assembly for
6 administrative and operating costs associated with charitable gaming for the
7 subsequent biennium. The state treasurer shall transfer the certified amount from the
8 charitable gaming operating fund to the general fund prior to the end of each
9 biennium.

10 **SECTION 2. AMENDMENT.** Section 53-06.1-12 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **53-06.1-12. Gaming tax - Deposits and allocations.**

13 1. A gaming tax is imposed on the total adjusted gross proceeds received by a licensed
14 organization in a quarter and it must be computed and paid to the attorney general on
15 a quarterly basis on the tax return. This tax must be paid from adjusted gross
16 proceeds and is not part of the allowable expenses. For a licensed organization with
17 adjusted gross proceeds:

18 a. ~~Not exceeding one million five hundred~~fifty thousand dollars the tax is one
19 percent of adjusted gross proceeds.

20 b. ~~Exceeding one million five hundred~~fifty thousand dollars the tax is ~~fifteen-~~
21 ~~thousand~~five hundred dollars plus ~~two and twenty-five hundredths~~twelve percent
22 of adjusted gross proceeds exceeding ~~one million five hundred~~fifty thousand
23 dollars.

24 2. The tax must be paid to the attorney general at the time tax returns are filed.

25 3. ~~Except as provided in subsection 4, the~~The attorney general shall deposit gaming
26 taxes, monetary fines, and interest and penalties collected in the ~~general~~charitable
27 gaming operating fund ~~in the state treasury.~~

28 4. ~~The attorney general shall deposit seven percent of the total taxes, less refunds,~~
29 ~~collected under this section into a gaming tax allocation fund. Pursuant to legislative~~
30 ~~appropriation, moneys in the fund must be distributed quarterly to cities and counties~~
31 ~~in proportion to the taxes collected under this section from licensed organizations~~

1 ~~conducting games within each city, for sites within city limits, or within each county, for~~
2 ~~sites outside city limits. If a city or county allocation under this subsection is less than~~
3 ~~two hundred dollars, that city or county is not entitled to receive a payment for the~~
4 ~~quarter and the undistributed amount must be included in the total amount to be~~
5 ~~distributed to other cities and counties for the quarter.~~

6 **SECTION 3. EFFECTIVE DATE.** Section 2 of this Act is effective for taxable events
7 occurring after June 30, 2021.