A BILL for an Act to create and enact a new section to chapter 57-60 of the North Dakota Century Code, relating to an exemption from the coal conversion facilities privilege tax and the imposition of a lignite research tax; to amend and reenact subsection 1 of section 57-60-14 of the North Dakota Century Code, relating to allocation of the coal conversion facilities privilege tax and the lignite research tax; to provide an effective date; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 57-60 of the North Dakota Century Code is created and enacted as follows:

Coal conversion facility tax - Exemption - Lignite research tax - Imposition.

1. Excluding the generation tax imposed under subsection 3 of section 57-60-02, a coal conversion facility is exempt from sixty percent of the tax imposed under section 57-60-02 and instead shall pay a lignite research tax equal to eighty-five percent of the tax imposed under section 57-60-02 multiplied by five percent.

2. An electrical generating plant is exempt from the generation tax imposed under subsection 3 of section 57-60-02 and instead shall pay a lignite research tax equal to eighty-five percent of the tax imposed under subsection 3 of section 57-60-02 multiplied by five percent.

SECTION 2. AMENDMENT. Subsection 1 of section 57-60-14 of the North Dakota Century Code is amended and reenacted as follows:

1. At least quarterly, the state treasurer shall no less than quarterly allocate all moneys received from all coal conversion facilities in each county pursuant to the provisions of this chapter, fifteen percent to the county and eighty-five percent to the state general fund, except moneys received from the tax imposed by subsection 3 of section 57-60-02, which must be deposited in the state general fund. Five percent of...
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all funds allocated to the state general fund pursuant to this chapter must be allocated to the:

a. The lignite research tax collections under section 1 of this Act to the lignite research fund for the purposes under section 57-61-01.5.

b. The coal conversion tax collections under subsection 3 of section 57-60-02 to the general fund.

c. Thirty-seven and one-half percent of the coal conversion tax collections under section 57-60-02, excluding the collections under subsection 3 of section 57-60-02, to the county.

d. The remaining coal conversion tax collections under section 57-60-02 to the general fund lignite research fund, for the purposes defined in section 57-61-01.5.

SECTION 3. EFFECTIVE DATE. This Act is effective for taxable production beginning after June 30, 2021.

SECTION 4. EXPIRATION DATE. This Act is effective through June 30, 2026, and after that date is ineffective.