

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

1 A BILL for an Act to amend and reenact subsection 3 of section 5-03-09, sections 57-01-06 and
2 57-39.2-17, and subsection 5 of section 57-39.2-23 of the North Dakota Century Code, relating
3 to the authority of the tax commissioner to waive penalties for late or nonfiled alcoholic
4 beverage tax returns, sales, market, and productivity studies for property tax purposes, the
5 requirement to use certified or registered mailing for sales tax purposes, and disclosure of
6 county lodging taxes and county lodging and restaurant taxes information to a county governing
7 body.

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

9 **SECTION 1. AMENDMENT.** Subsection 3 of section 5-03-09 of the North Dakota Century
10 Code is amended and reenacted as follows:

11 3. If a supplier fails to file the required report as required by this section, there is imposed
12 a penalty of twenty-five dollars per month for each calendar month or fraction of a
13 month during which the delinquency continues beginning with the month during which
14 the report was due. Any assessed penalty may be waived by the tax commissioner for
15 good cause upon request by the supplier.

16 **SECTION 2. AMENDMENT.** Section 57-01-06 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **57-01-06. Sales, market, and productivity study - Contents not to be included.**

19 Any sales, market, and productivity study which may be made by the state tax
20 commissioner may not include the following:

- 21 1. Property owned or used by public utilities.
- 22 2. Property classified as personal property.
- 23 3. A sale when the grantor and the grantee are of the same family or corporate affiliate, if
24 known.

- 1 4. A sale which resulted as a settlement of an estate.
- 2 5. ~~All sales to or from a government or governmental agency.~~
- 3 6. All forced sales, mortgage foreclosures, and tax sales.
- 4 ~~7.6.~~ All sales to or from religious, charitable, or nonprofit organizations.
- 5 ~~8.7.~~ All sales where there is an indicated change of use by the new owner.
- 6 ~~9.8.~~ All transfer of ownership of property for which is given a quitclaim deed.
- 7 ~~10.9.~~ Sales of property not assessable by law.
- 8 ~~11.10.~~ Agricultural lands of less than eighty acres [32.37 hectares].

9 **SECTION 3. AMENDMENT.** Section 57-39.2-17 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **57-39.2-17. Service of notice.**

12 Any notice, ~~except notice of appeals,~~ authorized or required under the provisions of this
13 chapter may be given by mailing the same to the person for whom it is intended by ~~registered or~~
14 ~~certified~~first class mail with proof of mailing addressed to ~~such~~the person at the address given
15 in the last return filed by that person ~~pursuant to~~under the provisions of this chapter, or if no
16 return has been filed, then ~~such an~~an address as may be obtainable. The mailing of ~~such~~the notice
17 is presumptive evidence of the receipt of the same by the person to whom addressed. ~~Any~~
18 ~~period of time which is determined according to the provisions of this chapter by giving of notice~~
19 ~~commences to run from the date of registration and posting of such notice.~~

20 **SECTION 4. AMENDMENT.** Subsection 5 of section 57-39.2-23 of the North Dakota
21 Century Code is amended and reenacted as follows:

- 22 5. The commissioner may make information pertaining to county lodging taxes, county
23 lodging and restaurant taxes, city lodging taxes, city lodging and restaurant taxes, or
24 city or county sales and use taxes, contained in tax returns, reports, related schedules
25 and documents, and reports of an audit or investigation available upon request to no
26 more than two duly elected or appointed members of the governing body of a city or
27 county for which collection and administration of the tax is required by statute or a tax
28 collection agreement administered under section 57-01-02.1. The governing body of
29 the city or county or its members may not divulge or make known in any manner the
30 business affairs, operations, or other information acquired from the commissioner
31 under this subsection concerning any person, corporation, limited liability company, or

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- 1 other entity unless the disclosure is by judicial order and for tax administration
- 2 purposes only.