

**HOUSE BILL NO. 1430**

Introduced by

Representatives Headland, Lefor, Louser, Porter

Senators Hogue, Kannianen, Kessel

1 A BILL for an Act to create and enact a new section to chapter 57-39.2 and a new subdivision to  
2 subsection 3 of section 57-40.2-03.3 of the North Dakota Century Code, relating to construction,  
3 expansion, or environmental upgrade of a renewable feedstock refinery; and to provide an  
4 effective date.

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

6 **SECTION 1.** A new section to chapter 57-39.2 of the North Dakota Century Code is created  
7 and enacted as follows:

8 **Sales and use tax exemption for materials used in construction, expansion, or**  
9 **environmental upgrade of a renewable feedstock refinery.**

10 1. As used in this section:

11 a. "Environmental upgrade" means an investment of more than one hundred  
12 thousand dollars in machinery, equipment, and related facilities for reducing  
13 emissions, increasing efficiency, or enhancing reliability of the equipment at a  
14 new or existing renewable feedstock refinery.

15 b. "Renewable feedstock" means "renewable biomass" as defined in 40 CFR  
16 section 80.1401.

17 c. "Renewable feedstock refinery" means a facility in this state which creates  
18 gasoline, jet fuel, or other transportation fuels by refining renewable feedstock  
19 through deoxygenation and has a nameplate capacity of processing of no fewer  
20 than five thousand barrels of renewable feedstock per day, and all adjacent units  
21 that are used in the processing of renewable feedstock.

22 2. Gross receipts from sales of tangible personal property used in constructing-~~or,~~  
23 expanding, ~~or making~~ an environmental upgrade ~~ef~~to a renewable feedstock refinery  
24 are exempt from taxes under this chapter.

1       3. The exemption may be received only at the time of purchase. To receive the  
2       exemption, the owner of the renewable feedstock refinery must receive a certificate  
3       from the tax commissioner indicating the tangible personal property used to construct,  
4       expand, or make environmental upgrades to a renewable feedstock refinery that the  
5       owner intends to purchase qualifies for the exemption under this section.

6       4. This chapter and chapter 57-40.2 apply to an exemption under this section.

7       **SECTION 2.** A new subdivision to subsection 3 of section 57-40.2-03.3 of the North Dakota  
8 Century Code is created and enacted as follows:

9               Tangible personal property as authorized or approved for exemption by the tax  
10              commissioner as provided in section 1 of this Act.

11       **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
12 June 30, 2023.