



CITY OF KENMARE SALES, USE & GROSS RECEIPTS TAX

At the present time, the city of Kenmare has a two percent (2 percent) city sales, use and gross receipts tax in place with a \$50/sale maximum tax (refund cap) that is scheduled to sunset on June 30, 2018. Effective July 1, 2018, the city of Kenmare has passed an ordinance so the tax rate will remain at 2 percent with the same \$50/sale maximum tax. No other changes were made to the ordinance. The following applies:

- Maximum tax is \$50 per sale
- In addition to the exemptions provided by state law the city will exempt the sales of new mobile homes, new farm machinery, and new farm machinery irrigation equipment
- Permit holder compensation still will not be provided

The Office of State Tax Commissioner has contracted with the city of Kenmare to administer the city sales, use and gross receipts tax. Tax is computed by multiplying the taxable purchase by the tax rate and carrying the product to the 3rd decimal place. If the 3rd decimal place is 5 or greater, round up; if it is 4 or less, round down. A local option tax guideline and rate charts are available on our website.

Effective July 1, 2018, the combined state and city rates within the city limits of Kenmare will be as follows:

- General sales and use tax: 7 percent (5 percent state + 2 percent city)
- New farm machinery: 3 percent (3 percent state + 0 percent city)
- New farm irrigation equipment: 3 percent (3 percent state + 0 percent city)
- New manufactured homes: 3 percent (3 percent state + 0 percent city)
- Lodging:
 - Hotel, Motel and Tourist Court Accommodations, and Bed & Breakfast Accommodations licensed under North Dakota Century Code ch. 23-09.1:
 - 7 percent (5 percent state + 2 percent city sales tax)
- Restaurant (sale of food and non-alcoholic beverages): 7 percent (5 percent state + 2 percent city sales tax)
- Alcoholic Beverages:
 - Off-sale alcoholic beverages: 9 percent (7 percent state + 2 percent city gross receipts tax)
 - On-sale alcoholic beverages: 9 percent (7 percent state + 2 percent city gross receipts tax)

Questions concerning the Kenmare city sales, use and gross receipts tax may be directed to the Office of State Tax Commissioner. You may contact the Office of State Tax Commissioner by phone at 701.328.1246, by email at salestax@nd.gov, or by mail at Office of State Tax Commissioner, Tax Compliance Section, 600 E Boulevard, Dept. 127, Bismarck, ND 58505-0599.