



CITY OF FESSENDEN SALES, USE & GROSS RECEIPTS TAX

The city of Fessenden voters have approved a two percent (2 percent) city sales, use and gross receipts tax and it is scheduled to begin on October 1, 2018. The following applies:

- Local location code is 243
- Maximum tax is \$50 per sale
- The local tax exemptions only will be those provided by state law
- The new tax will apply to purchases made for contracts bid prior to October 1, 2018
- Permit holder compensation will not be provided

The Office of State Tax Commissioner has contracted with the city of Fessenden 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 October 1, 2018, the combined state and city rates within the city limits of Fessenden will be as follows:

- General sales and use tax: 7 percent (5 percent state + 2 percent city)
- New farm machinery: 5 percent (3 percent state + 2 percent city)
- New farm irrigation equipment: 5 percent (3 percent state + 2 percent city)
- New manufactured homes: 5 percent (3 percent state + 2 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 Fessenden 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.