



CITY OF LISBON SALES, USE & GROSS RECEIPTS TAX

The city of Lisbon voters have approved a .5% percent increase in their city sales, use and gross receipts tax. The new tax rate of 2.5 percent will be effective on October 1, 2018. The following applies:

- Maximum tax is \$62.50 per sale
- In addition to the exemptions provided by state law the city will exempt the sales of new farm machinery, and new farm irrigation equipment
- Allows the limited exemption for materials that are purchased with the city and later installed outside of the jurisdiction
- No permit holder compensation will be provided by the city
- Tax increase does not apply to materials used in a contract bid prior to October 1, 2018

The Office of State Tax Commissioner has contracted with the city of Lisbon 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 Lisbon will be as follows:

- General sales and use tax: 7.5 percent (5 percent state + 2.5 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: 5.5 percent (3 percent state + 2.5 percent city)
- Lodging:
 - Hotel, Motel and Tourist Court Accommodations, and Bed & Breakfast Accommodations licensed under North Dakota Century Code ch. 23-09.1:
 - 7.5 percent (5 percent state + 2.5 percent city sales tax)
- Restaurant (sale of food and non-alcoholic beverages): 7.5 percent (5 percent state + 2.5 percent city sales tax)
- Alcoholic Beverages:
 - Off-sale alcoholic beverages: 9.5 percent (7 percent state + 2.5 percent city gross receipts tax)
 - On-sale alcoholic beverages: 9.5 percent (7 percent state + 2.5 percent city gross receipts tax)

Questions concerning the Lisbon 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.