



LOCAL TAX CHANGES EFFECTIVE JANUARY 1, 2019

The following summarizes local option tax changes effective January 1, 2019. For additional information:
www.nd.gov/tax/salesanduse/loctaxes

Bowman

At the present time, the City of Bowman has a 1 percent city sales, use, and gross receipts tax. Effective January 1, 2019, the City of Bowman has adopted an ordinance to continue the one percent tax and an ordinance to increase its city sales, use, and gross receipts tax by 1 percent. The tax rate for Bowman starting January 1, 2019, will be 2 percent. The following applies:

- New farm machinery is exempt
- Maximum tax (refund cap) increases to \$50/sale
- Contracts bid prior to January 1, 2019, are exempt from the rate and maximum tax increase

Burlington

The City of Burlington will impose a city sales, use, and gross receipts tax of 1.5 percent effective January 1, 2019. The following applies:

- The local code is 244
- No additional exemptions other than those provided by the state
- No permit holder compensation
- Contracts bid prior to January 1, 2019, are exempt from the local tax increase

Cooperstown

The City of Cooperstown currently has a 1.5 percent city sales, use and gross receipts tax with a \$50/sale maximum tax (refund cap). The tax rate for Cooperstown starting January 1, 2019, will remain at 1.5 percent, but the maximum tax (refund cap) is eliminated. No other changes were made to the ordinance. The following applies:

- Contracts bid prior to January 1, 2019, are exempt from the maximum tax increase

Enderlin

At the present time, the City of Enderlin has a 2 percent city sales, use, and gross receipts tax in place. Effective January 1, 2019, the City of Enderlin has adopted an ordinance to increase its city sales, use, and gross receipts tax by 0.5 percent. The tax rate for Enderlin starting January 1, 2019, will be 2.5 percent. No other changes were made to the ordinance. The following applies:

- Contracts bid prior to January 1, 2019, are exempt from the rate increase

New Salem

At the present time, the City of New Salem has a 1 percent city sales, use, and gross receipts tax in place. Effective January 1, 2019, the City of New Salem has adopted an ordinance to increase its city sales, use, and gross receipts tax by 1 percent. The tax rate for New Salem starting January 1, 2019, will be 2 percent. No other changes were made to the ordinance. The following applies:

- Contracts bid prior to January 1, 2019, are exempt from the rate increase

Towner

At the present time, the City of Towner has a 1 percent city sales, use, and gross receipts tax in place. Effective January 1, 2019, the City of Towner has adopted an ordinance to increase its city sales, use, and gross receipts tax by 1 percent. The tax rate for Towner starting January 1, 2019, will be 2 percent. No other changes were made to the ordinance. The following applies:

- Maximum tax (refund cap) remains at \$25/sale
- Compensation allowance remains at 3 percent (maximum discount \$50/month or \$150/quarter)
- New farm machinery & new farm irrigation equipment remain exempt from local sales tax
- The tax increase will apply to all contract bids prior to January 1, 2019

Maximum Tax (Refund Cap)

The maximum tax is the amount of tax that may apply to a single transaction. If the purchaser pays more than the maximum tax amount on a purchase, the purchaser may apply to the Tax Commissioner for a refund of any tax paid in excess of the maximum tax. Retailers may voluntarily collect up to the maximum tax amount as a convenience to their customers so the purchasers do not need to apply for a refund. Retailers are not required to calculate maximum tax and may continue to collect tax without regard to the maximum tax. Retailers should be consistent in the method they choose to calculate local taxes.

More information on state and local taxes, including the Local Option Taxes by Location Guideline, is available on our website at www.nd.gov/tax. Rate charts are also available on our website. You may also contact the Tax Compliance Section at 701.328.1246 or by email at salestax@nd.gov.

Subscribe:

Information regarding local tax changes is available electronically. You may sign up for email notifications online at www.nd.gov/tax. In the lower-left of the homepage, click on “Subscribe” under Email Updates, and follow the instructions. There are nine lists to which you may subscribe. To receive the sales tax rate change notifications, make sure you are subscribed to the “ND Sales and Special Taxes” list. You may also view the local sales tax rate change notifications at www.nd.gov/tax/salesanduse/localtaxes.