



## CITY OF BOWMAN SALES, USE & GROSS RECEIPTS TAX

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

The Office of State Tax Commissioner has contracted with the City of Bowman 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 3<sup>rd</sup> decimal place. If the 3<sup>rd</sup> 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 January 1, 2019, the combined state and city rates within the city limits of Bowman 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)
- 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:
    - 10 percent (5 percent state + 2 percent city sales + 2 percent City Lodging tax + 1 percent City Lodging & Restaurant Tax)
- Restaurant (sale of food and non-alcoholic beverages): 8 percent (5 percent state + 2 percent city sales + 1 percent City Lodging & Restaurant Tax)
- Alcoholic Beverages:
  - Off-sale alcoholic beverages: 9 percent (7 percent state + 2 percent city gross receipts)
  - On-sale alcoholic beverages: 10 percent (7 percent state + 2 percent city gross receipts + 1 percent City Lodging Restaurant Tax)

Questions concerning the Bowman 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](mailto:salestax@nd.gov), or by mail at Office of State Tax Commissioner, Tax Compliance Section, 600 E Boulevard, Dept. 127, Bismarck, ND 58505-0599.