



CITY OF TOWNER SALES, USE & GROSS RECEIPTS TAX

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

The Office of State Tax Commissioner has contracted with the City of Towner 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 January 1, 2019, the combined state and city rates within the city limits of Towner 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: 3 percent (3 percent state)
- 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)
- Restaurant (sale of food and non-alcoholic beverages): 7 percent (5 percent state + 2 percent city)
- Alcoholic Beverages:
 - Off-sale alcoholic beverages: 9 percent (7 percent state + 2 percent city gross receipts)
 - On-sale alcoholic beverages: 9 percent (7 percent state + 2 percent city gross receipts)

Questions concerning the Towner 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.