



## LOCAL TAX CHANGES EFFECTIVE JANUARY 1, 2021

The following local tax changes will be effective January 1, 2021. For additional information on our local taxes, please visit [www.nd.gov/tax/salesanduse/localtaxes](http://www.nd.gov/tax/salesanduse/localtaxes).

### **Binford**

The City of Binford will impose a city sales, use, and gross receipts tax of 2% effective January 1, 2021. The following applies:

- The local code is 246
- No additional exemptions than those provided by the state
- Maximum Tax (refund cap) is \$200/sale
- Permit holder compensation of 1.5% of the tax due, maximum of \$110/month or \$330/quarter
- Contracts bid prior to January 1, 2021, are exempt from local tax

### **Hazen**

At the present time, the City of Hazen has a 1.5% city sales, use, and gross receipts tax. 0.5% is set to expire on September 30, 2023. Effective January 1, 2021, the City of Hazen has revised their ordinance to eliminate the sunset clause. No other changes were made to the ordinance.

### **Lidgerwood**

At the present time, the City of Lidgerwood has a 2% city sales, use, and gross receipts tax. Effective January 1, 2021, the City of Lidgerwood has adopted an ordinance to increase its city sales, use, and gross receipts tax by 1%. The tax rate for Lidgerwood starting January 1, 2021, will be 3%. The following applies:

- Maximum tax (refund cap) increases to \$50/sale
- Contracts bid prior to January 1, 2021, are exempt from the rate and maximum tax increase

### **Northwood**

At the present time, the City of Northwood has a 1.5% city sales, use, and gross receipts tax. Effective January 1, 2021, the City of Northwood has adopted an ordinance to increase its city sales, use, and gross receipts tax by 1%. The tax rate for Northwood starting January 1, 2021, will be 2.5%. The following applies:

- Maximum tax (refund cap) decreases to \$25/sale
- Contracts bid prior to January 1, 2021, are exempt from the rate and maximum tax increase

### **Pembina**

Pembina will impose a 2% local lodging tax effective January 1, 2021.

### **Stanley**

At the present time, the City of Stanley has a 1.5% city sales, use, and gross receipts tax. It is set to expire on December 31, 2020. Effective January 1, 2021, the City of Stanley has revised their ordinance to extend the sunset clause until December 31, 2026. No other changes were made to the ordinance.

### Tioga

At the present time, the City of Tioga has a 2.5% city sales, use, and gross receipts tax. 2.5% is set to expire on December 31, 2020. The tax rate for Tioga starting January 1, 2021, will be 2.5%.

- Effective January 1, 2021, the City of Tioga has revised their ordinance to eliminate the sunset clause of 1.5%
- Effective January 1, 2021, the City of Tioga will impose a 1% city sales, use, and gross receipts tax

### Wimbledon

At the present time, the City of Wimbledon has a 1% city sales, use, and gross receipts tax. Effective January 1, 2021, the City of Wimbledon has adopted an ordinance to increase its city sales, use, and gross receipts tax by 1%. The tax rate for Wimbledon starting January 1, 2021, will be 2%. The following applies:

- Maximum tax (refund cap) increases to \$50/sale while the 1% ordinance is effective and will return to \$25/sale after 1% ordinance sunsets on 12/31/2024
- Contracts bid prior to January 1, 2021, are exempt from the rate and maximum tax increase
- The new 1% tax expires December 31, 2030

### Wyndmere

At the present time, the City of Wyndmere has a 2% city sales, use, and gross receipts tax. Effective January 1, 2021, the City of Wyndmere has adopted an ordinance to increase its city sales, use, and gross receipts tax by 1%. The tax rate for Wyndmere starting January 1, 2021, will be 3%. The following applies:

- Contracts bid prior to January 1, 2021, are exempt from the rate and maximum tax increase

### 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 Taxes by Location Guideline, is available on our website at [www.nd.gov/tax](http://www.nd.gov/tax). Rate charts are also available on our website. To receive notification of the quarterly updates automatically, please subscribe to our Email Subscription update list <http://bit.ly/NDTaxUpdate>. You may also contact the Tax Compliance Section at 701.328.1246 or by email at [salestax@nd.gov](mailto:salestax@nd.gov).

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