



## Local Tax Changes Effective July 1, 2023

The following local tax changes will be effective July 1, 2023. For additional information on our local taxes, please visit [www.tax.nd.gov/LocalTaxRate](http://www.tax.nd.gov/LocalTaxRate).

### **Frontier**

Effective July 1, 2023, the City of Frontier has adopted an ordinance to impose a city sales, use, and gross receipts tax of 1.5%. The tax rate for Frontier starting July 1, 2023, will be 1.5%. The following applies:

- No additional exemptions other than those provided by the state
- No maximum tax (refund cap)
- Limited exemption for contractors does not apply
- Tax imposed applies to contract bids submitted on or after effective date

### **West Fargo**

At the present time, the City of West Fargo has a 2% sales, use, and gross receipts tax. Effective July 1, 2023, the City of West Fargo has adopted an ordinance to increase its city sales, use, and gross receipts tax by 0.5%. The tax rate for West Fargo starting July 1, 2023, will be 2.5%. The following applies:

- No additional exemptions other than those provided by the state
- No maximum tax (refund cap)
- Limited exemption for contractors does not apply
- Tax imposed applies to contract bids submitted on or after effective date

### **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.tax.nd.gov/LocalTaxes](http://www.tax.nd.gov/LocalTaxes). Rate charts are also available via email at [salestax@nd.gov](mailto:salestax@nd.gov). To receive notification of the quarterly updates automatically, please subscribe to our email subscription list at [www.tax.nd.gov/EmailSignup](http://www.tax.nd.gov/EmailSignup). You may also contact the Sales Tax Compliance Section at 701-328-1246 or by email at [salestax@nd.gov](mailto:salestax@nd.gov).

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