



Local Tax Changes Effective January 1, 2026

The following local tax changes will be effective January 1, 2025. For additional information on our local taxes, please visit www.tax.nd.gov/LocalTaxRate.

Medina

The City of Medina will impose a 1% Local Lodging and Restaurant tax effective January 1, 2026.

Sherwood

The City of Sherwood will impose a city sales, use, and gross receipts tax of 2% effective January 1, 2026. The following applies:

- The local code is 252.
- No additional exemptions other than those provided by the state.
- Maximum tax (refund cap) of \$25.00/sale.
- Limited exemption for contractors does apply.
- Tax imposed applies to contract bids submitted on or after effective date.

Surrey

At the present time, the City of Surrey has a 2% sales, use, and gross receipts tax. Effective January 1, 2026, the City of Surrey has adopted an ordinance to increase its city sales, use, and gross receipts tax by 1%. The tax rate for Surrey starting January 1, 2026, will be 3%. The following applies:

- Maximum tax (refund cap) of \$25.00/sale.
- No vendor compensation for permit holders.
- Limited exemption for contractors does apply.
- Tax imposed applies to contract bids submitted on or after effective date.
- New Farm Machinery is exempt.

Walsh County

At the present time, Walsh County has a 0.25% sales, use, and gross receipts tax. Effective January 1, 2026, Walsh County has adopted an ordinance to increase the county sales, use, and gross receipts tax by 0.75%. The tax rate for Walsh County starting January 1, 2026, will be 1%. The following applies:

- No additional exemptions other than those provided by the state.
- Maximum tax (refund cap) \$50.00 per sale.
- No vendor compensation for permit holders.
- 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. Rate charts are also available via email at salestax@nd.gov. To receive notification of the quarterly updates automatically, please subscribe to our email subscription list at 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.