



LOCAL TAX CHANGES EFFECTIVE JANUARY 1, 2022

The following local tax changes will be effective January 1, 2022. For additional information on our local taxes, please visit www.nd.gov/tax/salesanduse/localtaxes.

Richardton

At the present time, the City of Richardton has a 2% city sales, use, and gross receipts tax. Effective January 1, 2022, the City of Richardton has adopted an ordinance to increase its city sales, use, and gross receipts tax by 0.5% and eliminate the \$100/sale maximum tax cap. The tax rate for Richardton starting January 1, 2022, will be 2.5%.

The following applies:

- No additional exemptions other than those provided by the state
- Maximum tax (refund cap) eliminated
- Contracts bid prior to January 1, 2022, are exempt from the rate and maximum tax removal
- The 0.5% sales tax distributed to the City Street Debt Service and Reserve Fund expires January 1, 2047

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. Rate charts are also available on our website. To receive notification of the quarterly updates automatically, please subscribe to our Email Subscription update list www.bit.ly/NDTaxUpdate. You may also contact the Tax Compliance Section at 701-328-1246 or by email at salestax@nd.gov.

Subscribe:

Information regarding local tax changes is available electronically. You may sign up for email notifications online at www.nd.gov/tax. In the lower-left of the homepage, click on “Subscribe” under Email Updates, and follow the instructions. There are nine lists to which you may subscribe. To receive the sales tax rate change notifications, make sure you are subscribed to the “ND Sales and Special Taxes” list. You may also view the local sales tax rate change notifications at www.nd.gov/tax/salesanduse/localtaxes.