



NORTH DAKOTA OFFICE OF STATE TAX COMMISSIONER

GUIDELINE - LOCAL TAXES BY LOCATION

LOCAL TAXES

RATES EFFECTIVE APRIL 1, 2024

This guideline contains information on local sales, use and gross receipts taxes, lodging taxes, lodging and restaurant taxes, and motor vehicle rental taxes imposed by cities and counties, but administered by the North Dakota Office of State Tax Commissioner. The Office of State Tax Commissioner assumes full responsibility for collection of the taxes including delinquency control, auditing and collection activity. Local sales, use and gross receipts taxes are reported on the same form as the state sales taxes. However, city lodging taxes, city lodging and restaurant taxes and city motor vehicle rental taxes are reported to the Office of State Tax Commissioner on separate forms. This guideline summarizes all the North Dakota cities and counties imposing local taxes.

New local taxes and changes to existing local taxes become effective on the first day of a calendar quarter. Updates are posted a minimum of 60 days prior to the start of the quarter on our website at www.tax.nd.gov/LocalTaxRate. To receive notification of the quarterly updates automatically, please subscribe to our Email Subscription list at www.tax.nd.gov/EmailSignup.

Local Sales, Use and Gross Receipts Taxes as of April 1, 2024

| City | Tax Type | Rate Increase (Decrease) | Local Code | Current Rate | Not Subject to Local Tax | *Maximum Tax (Refund Cap) | Permit Holder Compensation |
|-----------------------------------|--------------------------------|--------------------------|------------|--------------|--------------------------|--|--|
| Alexander | Sales, Use, and Gross Receipts | 2% 1-1-16 | 237 | 2% | None | None | None |
| Anamoose | Sales, Use, and Gross Receipts | 1% 1-1-09 | 220 | 1% | None | None | None |
| Aneta | Sales, Use, and Gross Receipts | 1% 1-1-05 | 203 | 1% | New farm machinery | \$25/sale - 1-1-05 | None |
| Ashley | Sales, Use, and Gross Receipts | 1% 4-1-98 | 162 | 1% | None | \$25/sale - 4-1-98 | 3% Max.-\$33.33/month or \$100.00/quarter |
| Beach | Sales, Use, and Gross Receipts | 1% 10-1-97 1% 1-1-23 | 156 | 2% | New farm machinery | \$25/sale - 10-1-97 \$100/sale - 1-1-23 | None |
| Belfield | Sales, Use, and Gross Receipts | 1% 4-1-95 1% 4-1-07 | 133 | 2% | None | \$25/sale - 10-1-97 \$50/sale - 4-1-07 None - 4-1-18 | None |
| Berthold ⁵ **(Ward) | Sales, Use, and Gross Receipts | 1% 1-1-96 | 138 | 1% | New farm machinery | \$25/sale - 1-1-96 | None |
| Beulah | Sales, Use, and Gross Receipts | 1% 10-1-03 1% 1-1-15 | 200 | 2% | None | \$25/sale - 10-1-03 | 3% Max- \$50.00/month or \$150.00/quarter |
| Binford | Sales, Use, and Gross Receipts | 2% 1-1-21 | 246 | 2% | None | \$200/sale - 1-1-21 \$25/sale - 7-1-21 | 1.5% Max-\$110.00/month or\$330.00/quarter |

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** Shaded cities also have county tax obligations.

Local Sales, Use and Gross Receipts Taxes as of April 1, 2024

| City | Tax Type | Rate Increase (Decrease) | Local Code | Current Rate | Not Subject to Local Tax | *Maximum Tax (Refund Cap) | Permit Holder Compensation |
|---------------------------------------|--------------------------------|--|------------|--------------|--------------------------|--|--|
| Bisbee | Sales and Gross Receipts only | 2% 1-1-12 | 229 | 2% | None | None | 3% Max.-\$50.00/month or \$150.00/quarter |
| Bismarck ⁶ **(Burleigh) | Sales, Use, and Gross Receipts | 1% 4-1-86 0.5% 4-1-19 | 102 | 1.5% | None | \$25/sale - 4-1-86 \$37.50/sale - 4-1-19 | 3% Max.-\$83.33/month or \$250.00/quarter |
| Bottineau | Sales, Use, and Gross Receipts | 1% 10-1-93 1% 10-1-99 (1%) 9-30-11 1% 10-1-11 | 122 | 2% | New farm machinery | \$25/sale - 10-1-93 \$50/sale - 10-1-99 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Bowman | Sales, Use, and Gross Receipts | 1% 10-1-94 1% 1-1-19 | 126 | 2% | New farm machinery | \$25/ sale - 10-1-94 \$50/sale - 1-1-19 | None |
| Buffalo ⁴ **(Cass) | Sales, Use, and Gross Receipts | 1% 1-1-03 1% 1-1-13 | 196 | 2% | None | \$25/sale | 3% Max.-\$83.33/month or \$250.00/quarter |
| Burlington ⁵ **(Ward) | Sales, Use, and Gross Receipts | 1.5% 1-1-19 | 244 | 1.5% | None | None | None |
| Cando | Sales and Gross Receipts only | 1% 7-1-98 1% 4-1-07 | 161 | 2% | None | \$25/sale - 7-1-98 None - 4-1-07 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Carpio ⁵ **(Ward) | Sales, Use, and Gross Receipts | 1.5% 7-1-17 | 240 | 1.5% | None | \$25/sale - 7-1-17 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Carrington | Sales, Use, and Gross Receipts | 1% 1-1-94 1% 4-1-14 | 124 | 2% | New farm machinery | \$25/sale - 1-1-94 | None |
| Carson | Sales, Use, and Gross Receipts | 1% 10-1-02 | 191 | 1% | None | \$25/sale 10-1-02 | None |
| Casselton ⁴ **(Cass) | Sales, Use, and Gross Receipts | 1% 4-1-98 1% 10-1-17 | 163 | 2% | None | \$25/sale - 4-1-98 | None |
| Cavalier | Sales, Use, and Gross Receipts | 1% 10-1-94 0.5% 10-1-98 0.5% 1-1-10 | 127 | 2% | New farm machinery | \$25/sale - 10-1-94 \$37.50/sale - 10-1-98 | None |
| Center | Sales, Use, and Gross Receipts | 2% 1-1-16 | 238 | 2% | None | None | None |
| Cooperstown | Sales, Use, and Gross Receipts | 1% 7-1-96 0.5% 7-1-08 | 141 | 1.5% | New farm machinery | \$25/sale - 7-1-96 \$50/sale - 7-1-08 None - 1-1-19 | None |
| Crosby | Sales, Use, and Gross Receipts | 1% 1-1-93 1% 4-1-13 1%10-1-13 | 116 | 3% | New farm machinery | \$25/sale - 1-1-93 \$50/sale - 4-1-13 \$75/sale - 1-1-14 | None |
| Devils Lake | Sales, Use, and Gross Receipts | 1% 7-1-88 0.5% 1-1-97 0.5% 4-1-07 0.25% 10-1-18 0.25% 1-1-23 | 104 | 2.5% | New farm machinery | \$25/sale - 10-1-18 \$35/sale - 1-1-23 | 3% Max.-\$83.33/month or \$250.00/quarter |
| Dickinson | Sales, Use, and Gross Receipts | 1% 7-1-90 0.5% 1-1-02 | 106 | 1.5% | None | \$25/sale - 7-1-90 \$37.50/sale 1-1-02 \$100/sale 7-1-17 | None |
| Drake | Sales, Use, and Gross Receipts | 1% 7-1-05 1% 7-1-08 | 209 | 2% | None | None | None |
| Drayton | Sales, Use, and Gross Receipts | 1% 10-1-97 0.5% 10-1-10 | 157 | 1.5% | None | \$25/sale - 10-1-97 | None |

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Local Sales, Use and Gross Receipts Taxes as of April 1, 2024

| City | Tax Type | Rate Increase (Decrease) | Local Code | Current Rate | Not Subject to Local Tax | *Maximum Tax (Refund Cap) | Permit Holder Compensation |
|---------------------------------------|--------------------------------|--|------------|--------------|--------------------------|---|---|
| Dunseith | Sales, Use, and Gross Receipts | 1% 1-1-05 (1%) 12-31-10 1% 1-1-11 | 204 | 1% | None | \$25/sale - 1-1-05 | None |
| Edgeley | Sales, Use, and Gross Receipts | 1% 1-1-97 1% 10-1-06 1% 4-1-18 | 148 | 3% | None | \$25/sale - 1-1-97 None - 10-1-06 \$50/sale - 7/1/13 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Edinburg ¹ **(Walsh) | Sales, Use, and Gross Receipts | 1% 4-1-99 | 176 | 1% | New farm machinery | \$25/sale - 4-1-99 | None |
| Elgin | Sales, Use, and Gross Receipts | 1% 4-1-00 | 179 | 1% | None | \$25/sale - 4/1/00 | None |
| Ellendale | Sales, Use, and Gross Receipts | 1% 1-1-95 1% 1-1-17 | 131 | 2% | None | \$25/sale - 1-1-95 \$50/sale - 1-1-17 None - 7-1-18 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Enderlin | Sales, Use, and Gross Receipts | 1% 10-1-98 1% 10-1-11 0.5% 1-1-19 | 166 | 2.5% | None | \$25/sale - 10-1-98 None - 1-1-17 | None |
| Fairmount | Sales, Use, and Gross Receipts | 1% 4-1-05 1% 1-1-12 | 206 | 2% | None | None | None |
| Fargo ⁴ **(Cass) | Sales, Use, and Gross Receipts | 0.5% 4-1-89 0.5% 7-1-92 0.5% 1-1-05 (0.5%) 7-1-06 0.5% 1-1-09 0.5% 1-1-10 (0.5%) 7-1-12 0.5% 1-1-13 | 105 | 2% | None | \$12.50/sale - 4-1-89 \$25/sale - 7-1-92 \$37.50/sale - 1-1-05 \$25.00/sale - 7-1-06 \$37.50/sale - 1-1-09 \$50/sale - 1-1-10 \$37.50/sale - 7-1-12 \$50/sale - 1-1-13 | None |
| Fessenden | Sales, Use, and Gross Receipts | 2% 10-1-18 | 243 | 2% | None | \$50/sale - 10-1-18 | None |
| Finley ² **(Steele) | Sales, Use, and Gross Receipts | 1% 10-1-98 1% 1-1-13 | 167 | 2% | None | \$25/sale - 10-1-98 \$50/sale - 1-1-13 | None |
| Forman | Sales, Use, and Gross Receipts | 1% 1-1-09 0.5% 4-1-12 1% 10-1-23 | 221 | 2.5% | None | \$25/sale - 1-1-09 None - 4-1-17 | None |
| Fort Ransom | Sales, Use, and Gross Receipts | 1% 1-1-00 1% 10-1-11 | 177 | 2% | None | \$25/sale - 1-1-00 | None |
| Fredonia | Sales, Use, and Gross Receipts | 2% 1-1-15 | 235 | 2% | None | None | None |
| Frontier ⁴ **(Cass) | Sales, Use, and Gross Receipts | 1.5% 7-1-23 | 248 | 1.5% | None | None | None |
| Gackle | Sales, Use, and Gross Receipts | 1% 1-1-06 | 210 | 1% | None | None | None |
| Garrison | Sales, Use, and Gross Receipts | 1% 1-1-96 1% 10-1-06 | 139 | 2% | New farm machinery | \$25/sale - 1-1-96 \$50/sale - 10-1-06 | None |
| Glenburn | Sales, Use, and Gross Receipts | 1% 7-1-08 1% 10-1-12 | 219 | 2% | None | \$25/sale - 7-1-08 | None |
| Glen Ullin ⁷ **(Morton) | Sales, Use, and Gross Receipts | 1% 1-1-07 | 212 | 1% | None | \$25/sale - 1-1-07 | None |
| Grafton ¹ **(Walsh) | Sales, Use, and Gross Receipts | 1% 1-1-91 1% 4-1-07 0.5% 4-1-15 | 107 | 2.5% | New farm machinery | \$25/sale - 1-1-91 None - 4-1-15 | 3% Max.-\$83.33/month or \$250.00/quarter |

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Local Sales, Use and Gross Receipts Taxes as of April 1, 2024

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|--------------------------------------|--------------------------------|---|------------|--------------|--------------------------|--|--|
| Grand Forks | Sales Tax | 1% 1-1-85 0.75% 1-1-96 | 101 | 2.25% | None | \$43.75/sale - 1-1-85 \$56.25/sale - 4-1-18 | 5% Max.-\$166.67/month or \$500.00/quarter |
| | Use Tax | 1.75% 7-1-00 | | | | | |
| Grand Forks | Sales, Use, and Gross Receipts | 0.5% 4-1-18 | 101 | 2.25% | None | | |
| Granville | Sales, Use, and Gross Receipts | 2% 7-1-10 | 225 | 2% | None | None | None |
| Grenora ³ **(Williams) | Sales, Use, and Gross Receipts | 1% 10-1-02 | 192 | 1% | None | \$25/sale - 10-1-02 | None |
| Gwinner | Sales, Use, and Gross Receipts | 1% 4-1-05 1% 4-1-16 | 207 | 2% | None | None | None |
| Halliday | Sales, Use, and Gross Receipts | 1% 7-1-96 | 143 | 1% | None | \$25/sale - 7-1-96 | None |
| Hankinson | Sales, Use, and Gross Receipts | 1% 10-1-97 1% 1-1-10 1% 10-1-21 | 158 | 3% | None | \$25/sale - 10-1-97 \$50/sale - 1-1-10 \$75/sale - 10-1-21 | 3% No maximum |
| Hannaford | Sales, Use, and Gross Receipts | 1% 10-1-04 | 202 | 1% | None | \$50/sale - 10-1-04 | None |
| Harvey | Sales, Use, and Gross Receipts | 1% 10-1-91 1% 1-1-15 | 112 | 2% | New farm machinery | \$25/sale - 10-1-91 \$50/sale - 1-1-15 | 3% Max.-\$83.33/month or \$250.00/quarter |
| Harwood ⁴ **(Cass) | Sales, Use, and Gross Receipts | 1% 1-1-09 1% 1-1-17 | 222 | 2% | None | \$25/sale - 4-1-98 | None |
| Hatton | Sales, Use, and Gross Receipts | 1% 4-1-98 1% 10-1-10 0.5% 4-1-19 | 164 | 2.5% | None | \$25/sale - 4-1-98 | None |
| Hazelton | Sales, Use, and Gross Receipts | 1% 10-1-00 | 180 | 2% | None | \$25/sale - 10-1-00 \$35/sale - 1-1-07 | 3% Max.-\$50/month or \$150/quarter |
| Hazen | Sales, Use, and Gross Receipts | 1% 4-1-95 0.5% 1-1-14 | 134 | 1.5% | New farm machinery | \$25/sale - 4-1-95 | 3% Max.-\$83.33/month or \$250.00/quarter |
| Hettinger | Sales, Use, and Gross Receipts | 1% 7-1-02 0.5% 1-1-11 | 142 | 1.5% | None | \$25/sale - 7/1/02 \$37.50/sale - 1-1-11 | None |
| Hillsboro | Sales, Use, and Gross Receipts | 1% 10-1-98 1% 1-1-03 0.5% 7-1-21 | 168 | 2.5% | None | \$25/sale - 10-1-98 \$50/sale - 1-1-03 \$75/sale - 7-1-21 | None |
| Hoople ¹ **(Walsh) | Sales, Use, and Gross Receipts | 1% 1-1-99 | 172 | 1% | New farm machinery | \$25/sale - 1-1-99 | 3% Max.-\$83.33/month or \$250.00/quarter |
| Hope ² **(Steele) | Sales, Use, and Gross Receipts | 1% 1-1-01 1% 1-1-12 | 185 | 2% | None | \$50/sale - 1-1-12 | None |
| Horace ⁴ **(Cass) | Sales, Use, and Gross Receipts | 2% 4-1-17 | 239 | 2% | None | None | None |
| Hunter ⁴ **(Cass) | Sales, Use, and Gross Receipts | 1% 1-1-24 | 250 | 1% | None | \$150/sale - 1-1-24 | None |
| Jamestown | Sales, Use, and Gross Receipts | 1% 7-1-91 1% 4-1-02 (1%) 4-1-15 1% 4-1-16 0.5% 1-1-20 | 110 | 2.5% | New farm machinery | \$25/sale - 7-1-91 \$50/sale - 4-1-02 \$25/sale - 4-1-15 \$50/sale - 4-1-16 \$75/sale - 1-1-20 | None |

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| City | Tax Type | Rate Increase (Decrease) | Local Code | Current Rate | Not Subject to Local Tax | *Maximum Tax (Refund Cap) | Permit Holder Compensation |
|--------------------------------------|-------------------------------|---|------------|--------------|------------------------------------|--|--|
| Kenmare ⁵ **(Ward) | Sales, Use and Gross Receipts | 1% 1-1-93 1% 10-1-07 | 117 | 2% | Mobile homes New farm machinery | \$25/sale - 1-1-93 \$50/sale - 10-1-07 | None |
| Killdeer | Sales, Use and Gross Receipts | 1% 4-1-95 0.5% 1-1-07 0.5% 4-1-15 | 135 | 2% | New farm machinery | \$25/sale - 4-1-95 \$37.50/sale - 1-1-07 None - 4-1-15 | None |
| Kindred ⁴ **(Cass) | Sales, Use and Gross Receipts | 1.5% 4-1-12 0.5% 4-1-15 | 230 | 2% | None | \$50/sale - 4-1-12 | None |
| Kulm | Sales, Use and Gross Receipts | 1% 4-1-98 1% 10-1-07 | 165 | 2% | None | \$25/sale - 4-1-98 \$50/sale - 10-1-07 | None |
| Lakota | Sales, Use and Gross Receipts | 1% 1-1-07 | 213 | 1% | None | None | None |
| LaMoure | Sales, Use and Gross Receipts | 1% 1-1-97 0.5% 1-1-05 0.5% 4-1-10 | 149 | 2% | New farm machinery | \$25/sale - 1-1-97 \$50/sale - 4-1-10 | None |
| Landa | Sales, Use and Gross Receipts | 1% 1-1-24 | 249 | 1% | None | None | None |
| Langdon | Sales, Use and Gross Receipts | 1% 1-1-94 1% 10-1-08 | 123 | 2% | New farm machinery | \$25/sale - 1-1-94 \$50/sale - 10-1-08 | 3% Max. -\$83.33/month or \$250.00/quarter |
| Larimore | Sales, Use and Gross Receipts | 1% 1-1-95 1% 7-1-19 | 128 | 2% | None | \$25/sale - 1-1-95 \$50/sale - 7-1-19 | None |
| Leeds | Sales, Use and Gross Receipts | 2% 10-1-14 1% 1-1-24 | 234 | 3% | None | None | None |
| Leonard ⁴ **(Cass) | Sales, Use and Gross Receipts | 1% 4-1-07 1% 1-1-11 | 215 | 2% | None | None | None |
| Lidgerwood | Sales, Use and Gross Receipts | 1% 10-1-00 1% 10-1-13 1% 1-1-21 | 181 | 3% | None | \$25/sale - 10-1-00 \$50/sale - 1-1-21 | None |
| Lignite | Sales, Use and Gross Receipts | 2% 1-1-15 | 236 | 2% | None | None | None |
| Lincoln ⁶ **(Burleigh) | Sales, Use and Gross Receipts | 1% 4-1-18 | 242 | 1% | None | \$25/sale - 4-1-18 | 3% Max. -\$50.00/month or \$150.00/quarter |
| Linton | Sales, Use and Gross Receipts | 1% 10-1-93 1% 10-1-06 | 121 | 2% | None | \$25/sale - 10-1-93 None - 10-1-06 \$250/sale - 4-1-18 | 3% Max. -\$50.00/month or \$150.00/quarter |
| Lisbon | Sales, Use and Gross Receipts | 1% 7-1-95 0.5% 1-1-09 0.5% 4-1-10 0.5% 10-1-18 | 136 | 2.5% | New farm machinery | \$25/sale - 7-1-95 \$37.50 - 1-1-09 \$50/sale - 4-1-10 \$62.50/sale - 10-1-18 | None |
| Maddock | Sales, Use and Gross Receipts | 1.5% 10-1-02 0.5% 7-1-11 | 193 | 2% | None | \$25/Sale - 10-1-02 | None |
| Mandan ⁷ **(Morton) | Sales, Use and Gross Receipts | 1% 4-1-91 0.75% 10-1-15 | 108 | 1.75% | None | \$25/sale - 4-1-95 | 3% Max. -\$83.33/month or \$250.00/quarter |
| Mapleton ⁴ **(Cass) | Sales, Use and Gross Receipts | 1% 7-1-07 0.5% 1-1-11 | 218 | 1.5% | None | \$25/sale - 7-1-07 | None |
| Max | Sales, Use and Gross Receipts | 1% 4-1-11 1.5% 4-1-23 | 227 | 2.5% | None | \$25/sale - 4-1-11 None - 4-1-23 | None |
| Mayville | Sales, Use and Gross Receipts | 1% 1-1-97 1% 7-1-03 | 150 | 2% | None | \$25/sale - 1-1-97 \$50/sale - 7-1-03 | None |
| McClusky | Sales, Use and Gross Receipts | 1% 1-1-96 1% 7-1-21 | 140 | 2% | New farm machinery | \$25/sale - 1-1-96 | None |

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|---|---|--|------------|--------------|-------------------------------------|--|---|
| McVille | Sales, Use and Gross Receipts | 1% 1-1-02 1% 7-1-10 | 188 | 2% | New farm machinery | \$25/sale - 1-1-02 \$50/sale - 7-1-10 | None |
| Medina | Sales, Use and Gross Receipts | 1% 7-1-21 | 247 | 1% | New farm machinery | \$25/sale - 7-1-21 | None |
| Medora | Sales, Use and Gross Receipts | 2% 1-1-00 0.5% 4-1-02 | 178 | 2.5% | None | \$25/single unit purchase - 1-1-00 \$50/single unit purchase - 4-1-02 | None |
| Michigan | Sales, Use and Gross Receipts | 1% 10-1-01 0.5% 4-1-04 0.5% 7-1-14 | 187 | 2% | None | \$25/sale | None |
| Milnor | Sales, Use and Gross Receipts | 1.5% 10-1-02 1% 10-1-16 | 169 | 2.5% | New farm machinery | \$25/sale - 10-1-02 | None |
| Minnewaukan | Sales, Use and Gross Receipts | 1.5% 1-1-07 0.5% 7-1-11 | 214 | 2% | New farm machinery | None | None |
| Minot ⁵ **(Ward) | Sales Tax Use Tax Sales, Use and Gross Receipts | 1% 4-1-86 1% 7-1-90 1% 1-1-98 (1%) 6-30-14 1% 7-1-14 (1%) 9-30-21 1% 10-1-21 | 103 | 2% | Mobile homes New farm machinery | \$25/customer/vendor/day - 4-1-86 \$50/customer/vendor/day - 1-1-98 None - 7-1-14 \$100/sale - 1-1-15 | None |
| Minto ¹ **(Walsh) | Sales, Use and Gross Receipts | 1% 4-1-07 | 216 | 1% | New farm machinery | \$25/sale - 4-1-07 | 3% Max.-\$83.33/month or \$250.00/quarter |
| Mohall | Sales, Use and Gross Receipts | 1% 10-1-92 1% 4-1-18 | 114 | 2% | New farm machinery | \$25/sale - 10-1-92 | None |
| Mott ⁸ **(Hettinger) | Sales, Use and Gross Receipts | 1% 4-1-97 0.5% 4-1-04 0.5% 1-1-13 | 153 | 2% | None | \$25/sale | None |
| Munich | Sales, Use and Gross Receipts | 1% 1-1-99 | 173 | 1% | None | \$25/sale - 1-1-99 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Napoleon | Sales, Use and Gross Receipts | 1% 10-1-96 1% 10-1-08 | 144 | 2% | None | \$25/sale - 10-1-96 \$50/sale - 10-1-08 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Neché | Sales, Use and Gross Receipts | 1% 1-1-04 1% 10-1-09 | 201 | 2% | New farm machinery | \$25/sale - 1-1-04 \$50/sale - 10-1-09 | None |
| New England ⁸ **(Hettinger) | Sales, Use and Gross Receipts | 1% 10-1-02 1% 1-1-08 | 194 | 2% | None | \$25/sale - 10-1-02 \$100/sale - 1-1-08 | None |
| New Leipzig | Sales, Use and Gross Receipts | 1% 1-1-99 1% 1-1-23 | 174 | 2% | None | \$25/sale - 1-1-99 \$50/sale - 1-1-23 | None |
| New Rockford | Sales, Use and Gross Receipts | 1% 10-1-96 1% 4-1-08 0.5% 7-1-19 | 145 | 2.5% | None | \$25/sale - 10-1-96 \$50/sale - 4-1-08 | None |
| New Salem ⁷ **(Morton) | Sales, Use and Gross Receipts | 1% 4-1-07 1% 1-1-19 | 217 | 2% | None | None | None |
| New Town | Sales, Use and Gross Receipts | 1% 1-1-18 1% 1-1-23 | 241 | 2% | New farm machinery None - 1-1-23 | \$25/sale - 1-1-18 | 3% Max.-\$83.33/month or \$250.00/quarter |

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|--------------------------------------|-------------------------------|---|------------|--------------|--------------------------|---|--|
| Northwood | Sales, Use and Gross Receipts | 1% 1-1-03 0.5% 10-1-06 1% 1-1-21 0.5% 1-1-23 | 197 | 3% | None | \$25/sale - 1-1-03 None - 10-1-06 \$37.50/sale - 1-1-07 \$25/sale - 1-1-21 | None |
| Oakes | Sales, Use and Gross Receipts | 1% 10-1-96 0.5% 10-1-03 0.5% 10-1-10 | 146 | 2% | None | \$25/sale | 3% Max. -\$83.33/month or \$250.00/quarter |
| Oxbow ⁴ **(Cass) | Sales, Use and Gross Receipts | 1% 1-1-02 | 189 | 1% | None | None | None |
| Page ⁴ **(Cass) | Sales, Use and Gross Receipts | 1% 4-1-05 1% 7-1-16 | 208 | 2% | None | \$25/sale - 4-1-05 \$50/sale - 7-1-16 | None |
| Park River ¹ **(Walsh) | Sales, Use and Gross Receipts | 1% 1-1-95 1% 7-1-05 | 130 | 2% | New farm machinery | \$25/sale - 1-1-95 \$50/sale - 10-1-12 | None |
| Pembina | Sales, Use and Gross Receipts | 1% 1-1-93 0.5% 10-1-09 1% 1-1-10 | 119 | 2.5% | New farm machinery | \$25/sale - 1-1-93 \$50/sale - 10-1-09 | None |
| Portland | Sales, Use and Gross Receipts | 1% 1-1-97 1% 7-1-03 | 151 | 2% | None | \$25/sale - 1-1-97 \$50/sale - 7-1-03 | None |
| Powers Lake | Sales, Use and Gross Receipts | 1% 4-1-97 | 154 | 1% | New farm machinery | \$25/sale - 4-1-97 | 3% Max. -\$83.33/month or \$250.00/quarter |
| Ray ³ **(Williams) | Sales, Use and Gross Receipts | 1.5% 1-1-13 0.5% 4-1-14 | 232 | 2% | None | None | None |
| Reeder | Sales, Use and Gross Receipts | 1% 1-1-03 | 198 | 1% | New farm machinery | \$25/sale - 1-1-03 | None |
| Regent ⁸ **(Hettinger) | Sales, Use and Gross Receipts | 1% 1-1-97 1% 4-1-09 | 152 | 2% | None | \$25/sale - 1-1-97 None - 4-1-09 | None |
| Richardton | Sales, Use and Gross Receipts | 1% 10-1-97 1% 1-1-08 0.5% 1-1-22 | 159 | 2.5% | None | \$25/sale - 10-1-97 \$100/sale - 1-1-08 None - 1-1-22 | None |
| Rolette | Sales, Use and Gross Receipts | 1% 1-1-03 1% 1-1-14 | 199 | 2% | New farm machinery | \$25/sale - 1-1-03 | None |
| Rolla | Sales, Use and Gross Receipts | 1% 1-1-94 0.5% 10-1-04 0.5% 1-1-10 | 125 | 2% | New farm machinery | \$25/sale | None |
| Rugby | Sales, Use and Gross Receipts | 1% 1-1-93 1% 10-1-09 | 118 | 2% | New farm machinery | \$25/sale - 1-1-93 | 3% Max. -\$50.00/month or \$150.00/quarter |
| Scranton | Sales, Use and Gross Receipts | 1% 4-1-02 | 190 | 1% | None | \$25/sale - 4-1-02 | None |
| South Heart | Sales, Use and Gross Receipts | 2% 4-1-13 | 233 | 2% | None | None | None |
| St. John | Sales, Use and Gross Receipts | 1% 1-1-01 | 186 | 1% | None | \$25/sale | 3% Max. -\$83.33/month or \$250.00/quarter |
| Stanley | Sales, Use and Gross Receipts | 1% 10-1-95 0.5% 4-1-13 | 137 | 1.5% | New farm machinery | \$25/sale - 10-1-95 | 3% Max. -\$83.33/month or \$250.00/quarter |

*** Customers may request a refund of local tax paid if the amount exceeds the maximum tax due to a city or county. Please see page 14, Maximum Tax Refund.**

**** Shaded cities also have county tax obligations.**

Local Sales, Use and Gross Receipts Taxes as of April 1, 2024

| City | Tax Type | Rate Increase (Decrease) | Local Code | Current Rate | Not Subject to Local Tax | *Maximum Tax (Refund Cap) | Permit Holder Compensation |
|--|-------------------------------|---|------------|--------------|--------------------------|--|---|
| Steele | Sales, Use and Gross Receipts | 1% 10-1-96 1% 4-1-07 0.5% 7-1-22 | 147 | 2.5% | None | \$25/sale - 10-1-96 None - 1-1-13 | None |
| Strasburg | Sales, Use and Gross Receipts | 1% 4-1-93 1% 1-1-11 | 120 | 2% | None | \$25/sale - 4-1-93 None - 1-1-11 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Streeter | Sales, Use and Gross Receipts | 1% 1-1-09 | 223 | 1% | None | None | None |
| Surrey ⁵ **(Ward) | Sales, Use and Gross Receipts | 2% 7-1-12 | 231 | 2% | None | None | None |
| Thompson | Sales, Use and Gross Receipts | 2% 10-1-20 | 245 | 2% | New farm machinery | None | None |
| Tioga ³ **(Williams) | Sales, Use and Gross Receipts | 1% 1-1-95 1% 1-1-13 0.5% 4-1-13 (1%) 12-31-20 1% 1-1-21 | 132 | 2.5% | None | \$25/sale - 1-1-95 None - 7-1-17 | None |
| Tower City ⁴ **(Cass/Barnes) | Sales, Use and Gross Receipts | 1% 10-1-02 1% 1-1-14 | 195 | 2% | New farm machinery | \$25/sale - 10-1-02 | None |
| Towner | Sales, Use and Gross Receipts | 1% 10-1-98 1% 1-1-19 | 170 | 2% | New farm machinery | \$25/sale - 10-1-98 | 3% Max.-\$50.00/month or \$150.00/quarter |
| Turtle Lake | Sales, Use and Gross Receipts | 1% 10-1-00 1% 4-1-09 | 182 | 2% | New farm machinery | \$25/sale - 10-1-00 \$50/sale - 4-1-09 | None |
| Underwood | Sales, Use and Gross Receipts | 1.5% 10-1-06 0.5% 4-1-15 | 211 | 2% | New farm machinery | None | None |
| Valley City | Sales, Use and Gross Receipts | 1% 1-1-92 0.5% 7-1-03 0.5% 7-1-07 0.5% 10-1-10 | 113 | 2.5% | New farm machinery | \$25/sale - 1-1-92 \$37.50/sale - 7-1-03 \$50.00/sale - 7-1-07 \$62.50/sale - 10-1-10 | None |
| Velva | Sales, Use and Gross Receipts | 1% 1-1-99 1% 10-1-07 (1%) 6-30-14 1% 1-1-15 | 175 | 2% | New farm machinery | \$25/sale - 1-1-99 \$50/sale - 1-1-10 \$25/sale - 1-1-14 | None |
| Wahpeton | Sales, Use and Gross Receipts | 1% 7-1-91 0.5% 10-1-99 0.5% 1-1-10 | 111 | 2% | New farm machinery | \$25/sale - 7-1-91 \$50/sale - 1-1-10 | 3% Max.-\$37.50/month or \$112.50/quarter |
| Walhalla | Sales, Use and Gross Receipts | 1% 10-1-97 1% 1-1-09 | 160 | 2% | New farm machinery | \$25/sale - 10-1-97 \$50/sale - 1-1-09 | None |
| Washburn | Sales, Use and Gross Receipts | 1% 10-1-00 1% 1-1-09 | 183 | 2% | None | \$25/sale - 10-1-00 None - 1-1-15 | 3% Max.-\$83.33/month or \$250.00/quarter |
| Watford City | Sales, Use and Gross Receipts | 1% 10-1-98 0.5% 10-1-14 | 171 | 1.5% | New farm machinery | \$25/sale - 10-1-98 none - 10-1-18 | 3% Max.-\$83.33/month or \$250.00/quarter |
| West Fargo ⁴ **(Cass) | Sales, Use and Gross Receipts | 1% 10-1-94 1% 10-1-14 0.5% 7-1-23 | 129 | 2.5% | None | \$25/sale - 10-1-04 None - 10-1-14 | None |

*** Customers may request a refund of local tax paid if the amount exceeds the maximum tax due to a city or county. Please see page 14, Maximum Tax Refund.**

**** Shaded cities also have county tax obligations.**

Local Sales, Use and Gross Receipts Taxes as of April 1, 2024

| City | Tax Type | Rate Increase (Decrease) | Local Code | Current Rate | Not Subject to Local Tax | *Maximum Tax (Refund Cap) | Permit Holder Compensation |
|---|-------------------------------|---|------------|--------------|--------------------------|---|--|
| Westhope | Sales, Use and Gross Receipts | 1% 7-1-10 1% 4-1-19 | 226 | 2% | None | \$25/sale - 7-1-10 | None |
| Williston ³ ** (Williams) | Sales, Use and Gross Receipts | 1% 7-1-91 1% 4-1-03 (1%) 3-31-11 1% 4-1-12 | 109 | 2% | New farm machinery | \$25/sale - 7-1-91 \$50/sale - 4-1-03 \$25/sale - 4-1-11 \$50/sale - 10-1-12 | 3% Max. -\$83.33/month or \$250.00/quarter |
| Wilton ⁶ ** (McLean/ Burleigh) | Sales, Use and Gross Receipts | 1% 10-1-00 1% 1-1-13 | 184 | 2% | None | \$25/sale - 10-1-00 \$50/sale - 1-1-13 | 3% Max. -\$83.33/month or \$250.00/quarter |
| Wimbledon | Sales, Use and Gross Receipts | 1% 1-1-05 1% 1-1-21 | 205 | 2% | New farm machinery | \$25/sale - 1-1-05 \$50/sale - 1-1-21 | None |
| Wishek | Sales, Use and Gross Receipts | 1% 4-1-97 0.5% 1-1-13 0.5% 1-1-23 | 155 | 2% | None | \$25/sale - 4-1-97 None - 1-1-07 | 3% Max. -\$83.33/month or \$250.00/quarter |
| Woodworth | Sales, Use and Gross Receipts | 1% 1-1-09 | 224 | 1% | None | \$30/sale - 1-1-09 | None |
| Wyndmere | Sales, Use and Gross Receipts | 2% 10-1-11 1% 1-1-21 | 228 | 3% | New farm machinery | None | None |

*** Customers may request a refund of local tax paid if the amount exceeds the maximum tax due to a city or county. Please see page 14, Maximum Tax Refund.**

**** Shaded cities also have county tax obligations.**

Local Sales, Use and Gross Receipts Taxes as of April 1, 2024

| County | Tax Type | Rate Increase (Decrease) | Local Code | Current Rate | Not Subject to Local Tax | *Maximum Tax (Refund Cap) | Permit Holder Compensation |
|-------------------------------|---|--|------------|--------------|--------------------------|---|--|
| Burleigh County ⁶ | Sales, Use and Gross Receipts | 0.5% 10-1-14 | 506 | 0.5% | None | \$25/sale - 10-1-14 | 3% Max.-\$83.33 or \$250.00/quarter |
| Cass County ⁴ | Sales, Use and Gross Receipts | 0.5% 10-1-99 (0.5%) 4-1-03 0.5% 4-1-11 | 501 | 0.5% | None | \$12.50/sale - 4-1-11 | None |
| Hettinger County ⁸ | Sales, Use and Gross Receipts | 0.5% 1-1-17 | 508 | 0.5% | None | \$25/sale - 1-1-17 | None |
| Morton County ⁷ | Sales, Use and Gross Receipts | 0.5% 10-1-14 | 507 | 0.5% | None | \$25/sale - 10-1-14 | 3% Max.-\$83.33 or \$250.00/quarter |
| Steele County ² | Sales, Use and Gross Receipts | 1% 4-1-05 | 503 | 1% | None | \$25/sale - 4-1-05 | None |
| Walsh County ¹ | Sales, Use and Gross Receipts | 0.25% 4-1-01 | 502 | 0.25% | New farm machinery | \$25/sale - 4-1-01 | None |
| Ward County ⁵ | Sales, Use and Gross Receipts Gross Receipts tax effective 10-1-15 | 0.5% 4-1-13 10-1-15 | 505 | 0.5% | None | \$12.50/sale - 4-1-13 \$50/sale - 1-1-23 | None |
| Williams County ³ | Sales, Use and Gross Receipts Gross Receipts tax effective 4-1-15 | 0.5% 10-1-06 (0.5%) 10-1-12 1% 4-1-15 | 504 | 1% | None | \$12.50/sale - 10-1-06 None - 4-1-15 | None |

COUNTY TAX

The county sales, use, and gross receipts tax is in addition to state and city sales, use, and gross receipts tax.

¹ **Walsh County:** Edinburg, Grafton, Hoople, Minto and Park River have city taxes and are located within Walsh County.

² **Steele County:** Finley and Hope have city taxes and are located within Steele County.

³ **Williams County:** Grenora, Ray, Tioga, and Williston have city taxes and are located within Williams County.

⁴ **Cass County:** Buffalo, Casselton, Fargo, Frontier, Harwood, Horace, Hunter, Kindred, Leonard, Mapleton, Oxbow, Page, Tower City, and West Fargo have city taxes and are located within Cass County.

⁵ **Ward County:** Berthold, Burlington, Carpio, Kenmare, Minot, and Surrey have city taxes and are located within Ward County.

⁶ **Burleigh County:** Bismarck, Lincoln, and the southern portion of the city of Wilton are located within Burleigh County.

⁷ **Morton County:** Glen Ullin, Mandan, and New Salem have city taxes and are located within Morton County.

⁸ **Hettinger County:** Mott, New England, and Regent have city taxes and are located within Hettinger County.

STATE SALES TAXES

The Office of State Tax Commissioner has prepared a number of sales and use tax guidelines that provide a better understanding of the North Dakota sales and use laws. These guidelines are available at www.tax.nd.gov/guidelines.

State Sales Tax Rates:

- 3% on the total receipts from retail sales of new mobile homes. (Used mobile homes are exempt).
- 5% on the total receipts from all other taxable retail sales of tangible personal property and services except where alcohol or farm machinery gross receipts taxes apply.

Gross Receipt Tax Rates:

- 3% on the gross receipts from retail sales of new farm machinery and new irrigation equipment used exclusively for agricultural purposes. (Used farm machinery and used irrigation equipment used exclusively for agricultural purposes are exempt).
- 7% on the gross receipts from retail sales of alcoholic beverages sold for consumption either on or off-the-premises.

* The 1% tax on the gross receipts from the leasing or renting of hotel, motel or tourist court accommodations for period of less than 30 consecutive days, excluding bed and breakfast accommodations is no longer applicable. It was in effect from 7-1-03 to 6-30-07.

* Customers may request a refund of local tax paid if the amount exceeds the maximum tax due to a city or county. Please see page 14, Maximum Tax Refund.

Local Lodging Tax & Local Lodging and Restaurant Tax

In addition to local sales, use and gross receipts taxes, cities and counties can impose local taxes on lodging accommodations, restaurant meals and on-sale beverages. Unlike local sales, use and gross receipts taxes, local lodging and local lodging and restaurant taxes do not contain any special exemptions or compensation allowances. A county may not impose their local lodging or local lodging and restaurant tax inside the city limits of a city that already, or subsequently, imposes a like lodging or lodging and restaurant tax administered through the North Dakota Office of State Tax Commissioner.

| Location | Effective Date | Rate | Location | Effective Date | Rate | Location | Effective Date | Rate |
|-------------|----------------|------|--------------|----------------|------|-----------------|----------------|------|
| Ashley | 10-1-91 | 2% | Hankinson | 9-1-06 | 2% | Parshall | 10-1-07 | 2% |
| Beach | 11-1-05 | 2% | Harvey | 1-1-06 | 2% | Pembina | 1-1-21 | 2% |
| Belfield | 4-1-15 | 2% | Hazen | 7-1-10 | 2% | Ramsey County | 4-1-20 | 2% |
| Beulah | 5-1-87 | 2% | Hettinger | 3-1-91 | 2% | Ray | 1-1-13 | 1% |
| Bismarck | 7-1-87 | 2% | Hillsboro | 1-1-18 | 2% | Regent | 4-1-09 | 2% |
| Bottineau | 6-1-84 | 2% | Jamestown | 7-1-82 | 2% | Riverdale | 10-1-10 | 1% |
| Bowman | 4-1-90 | 2% | Killdeer | 1-1-13 | 2% | Rugby | 9-1-83 | 2% |
| Carrington | 1-1-88 | 2% | Lakota | 9-1-06 | 2% | Stanley | 1-1-17 | 2% |
| Cavalier | 1-1-16 | 2% | Langdon | 10-1-95 | 2% | Steele | 10-1-91 | 2% |
| Cooperstown | 10-1-08 | 1% | Linton | 7-1-15 | 2% | Tioga | 1-1-13 | 2% |
| Crosby | 4-1-13 | 1% | Lisbon | 1-1-06 | 2% | Wahpeton | 4-1-89 | 2% |
| Devils Lake | 7-1-84 | 2% | Mandan | 7-1-87 | 2% | Walhalla | 1-1-09 | 1% |
| Dickinson | 7-1-82 | 2% | McVile | 1-1-09 | 2% | Washburn | 7-1-15 | 2% |
| Drayton | 7-1-07 | 2% | Medora | 4-1-82 | 2% | Watford City | 4-1-86 | 2% |
| Ellendale | 10-1-12 | 2% | Minnewaukan | 1-1-13 | 2% | Williams County | 1-1-20 | 2% |
| Garrison | 4-1-96 | 2% | New Rockford | 10-1-23 | 1% | Williston | 1-1-82 | 2% |
| Glen Ullin | 1-1-13 | 2% | New Town | 6-1-87 | 1% | Wishek | 1-1-07 | 2% |
| Grafton | 4-1-93 | 2% | Oakes | 4-1-11 | 2% | Wyndmere | 10-1-12 | 2% |

Note: Fargo, Grand Forks, Minot, Valley City, and West Fargo also impose a local lodging tax, however, their taxes are administered locally.

Local Lodging and Restaurant Tax

| Location | Applies to | Effective Date | Rate | Location | Applies to | Effective Date | Rate |
|-------------|-----------------------|----------------|-------|-----------------|-----------------------|----------------|------|
| Beulah | Lodging, food, liquor | 1-1-09 | 1% | Mandan | Lodging, food, liquor | 11-1-87 | 1% |
| Bismarck | Lodging, food, liquor | 7-1-87 | 1% | McVile | Lodging, food | 4-1-09 | 1% |
| Bottineau | Lodging, food, liquor | 3-3-90 | 1% | Minnewaukan | Lodging, food, liquor | 1-1-13 | 1% |
| Bowman | Lodging, food, liquor | 4-1-90 | 1% | Parshall | Lodging, food, liquor | 10-1-07 | 1% |
| Devils Lake | Lodging, food | 7-1-95 | 1% | Pick City | Lodging, food, liquor | 7-1-93 | 1% |
| Dickinson | Lodging, food, liquor | 7-1-82 | 1% | Ramsey County | Lodging, food | 4-1-20 | 1% |
| Drayton | Lodging, food, liquor | 7-1-07 | 1% | Regent | Lodging, food, liquor | 4-1-09 | 1% |
| Edgeley | Lodging, food, liquor | 4-1-97 | 1% | Riverdale | Lodging, food, liquor | 10-1-10 | 1% |
| Ellendale | Lodging, food, liquor | 7-1-05 | 1% | Rugby | Lodging, food | 10-1-97 | 1% |
| Glen Ullin | Lodging, food, liquor | 1-1-13 | 1% | Valley City | Food, liquor | 5-1-97 | 1% |
| Grand Forks | Lodging, food, liquor | 1-1-06 | 0.25% | Wahpeton | Lodging, food | 1-1-13 | 1% |
| Hazen | Lodging, food, liquor | 10-1-01 | 1% | Watford City | Lodging, food, liquor | 4-1-15 | 1% |
| Jamestown | Lodging, food | 7-1-88 | 1% | Williams County | Lodging, food, liquor | 1-1-20 | 1% |
| Lakota | Lodging | 9-1-06 | 1% | Williston | Lodging, food, liquor | 10-1-14 | 1% |
| Lisbon | Lodging, food, liquor | 1-1-06 | 1% | Wyndmere | Lodging, food, liquor | 10-1-12 | 1% |

Example:

Williams County has a 2% local lodging and a 1% local lodging and restaurant tax.

Tioga, a city located inside Williams county has a 2% lodging tax, but no lodging and restaurant tax.

A hotel, motel, or other lodging facility located inside Tioga will charge 10.5% tax (5% state sales tax + 1% county sales tax + 2.5% city sales tax + 2% Tioga local lodging tax).

A restaurant (sale of food and non-alcoholic beverages) located inside Tioga will charge 9.5% tax (5% state sales tax + 1% county sales tax + 2.5% city sales tax + 1% Williams County local lodging and restaurant tax).

City Motor Vehicle Rental Tax

Three cities (Bismarck, Grand Forks, and Minot) impose a 1% tax on the rental of any motor vehicle for fewer than thirty days when that motor vehicle is either delivered to a renter at an airport or delivered to a renter who was picked up by the retailer at an airport. For the purposes of this tax, a “retailer” means a company for which the primary business is the renting of motor vehicles for periods of fewer than 30 days.

Collection and Payment of Local Taxes

When a purchaser receives goods (delivered or picked up) within a city or county which imposes a local tax, both the state and local sales taxes must be collected by the retailer on the retail selling price of the goods. The retail selling price includes delivery fees or shipping charges.

A leasing or rental company must collect local taxes on the leases or rentals occurring within a city or county that imposes a local tax. If a local tax rate change takes effect in the middle of a lease or rental contract, the new local tax rate must be collected on all subsequent lease or rental billings.

Local sales, use and gross receipts tax ordinances parallel state sales, use and gross receipts tax law. All exemptions applicable for state sales, use and gross receipts taxes also apply to local sales, use and gross receipts taxes, including exemptions for sales tax exempt entities (schools, government agencies, hospitals, etc.) and some sales to Montana residents.

Properly utilized resale certificates, exemption certificates and processing certificates exempt sales and purchases from both state and local sales, use and gross receipts taxes. A certificate cannot be used to exempt only one level of tax (state, city or county).

Out-of-State and Remote Sellers

Prior to the United States Supreme Court ruling on South Dakota v. Wayfair in June 2018, out-of-state and remote sellers needed to establish a physical business presence in North Dakota to be required to collect North Dakota's state and local taxes. Some examples of physical business presence include:

- A permanent or temporary location within the state
- Sales, service or repair personnel working within the state
- Owning equipment which is leased or rented within the state
- Using company vehicles to deliver goods into the state

Now, North Dakota law also requires out-of-state and remote sellers to collect state and local sales taxes on taxable sales made into North Dakota if their taxable sales delivered to North Dakota exceed \$100,000 in the current or prior calendar year.

When an out-of-state or remote seller's sales meet the \$100,000 threshold for the first time, they have 60 days to register and start collecting North Dakota state and local taxes.

Marketplace Facilitators

Starting October 1, 2019, a marketplace facilitator which facilitates sales for a seller through an electronic or physical marketplace is required to collect state and local sales taxes on taxable sales made into North Dakota if they have a physical presence or if their taxable sales delivered to North Dakota exceed \$100,000 in the current or prior calendar year.

When a marketplace facilitator's sales meet the \$100,000 threshold for the first time, they have 60 days to register and start collecting North Dakota state and local taxes.

State and Local Gross Receipts Taxes

The State of North Dakota imposes separate gross receipts taxes, rather than sales taxes, on the sales of new farm machinery and new farm irrigation equipment used exclusively for agricultural purposes and the retail sales of alcoholic beverages sold for consumption on or off-the-premises. Local jurisdictions may also impose gross receipts tax on these items.

Tribal Tax

Standing Rock Sioux Tribe:

The Office of State Tax Commissioner previously administered the Standing Rock Sioux Tribal tax for the period July 1, 2016 through March 6, 2017. Please contact the Standing Rock Sioux Tribe Tax Department at 701-854-7340 with questions relating to the application of the Tribal tax beginning March 7, 2017.

USE TAX

If the purchaser did not pay a local tax at the time of purchase, the goods will be subject to local use tax if the purchaser takes the goods into a city or county imposing a local use tax for storage, use or consumption in that taxing jurisdiction. The tax is due on the fair market value of the goods when they enter the taxing jurisdiction. In these situations, the purchaser is responsible to report the purchase and pay the local tax liability. The seller of the goods is not responsible to collect the use tax in this situation.

The cities of Bisbee, Cando and Scranton impose a local sales tax only; they do not impose a local use tax. Local tax in the cities of Bisbee, Cando and Scranton applies only if the seller and buyer are located within the city limits of these cities.

Credit is allowed for sales and use tax legally due and paid in another local jurisdiction and can be offset with the sales or use tax due the purchaser's local jurisdiction if the other local jurisdiction provides a like credit.

Example: If an item is purchased in Bismarck (1.5% local tax + 0.5% county tax) and brought into Mandan (1.75% city tax + 0.5% county tax) for storage, use or consumption, an additional 0.25% local tax is due as use tax to the city of Mandan. This additional 0.25% is self-accrued by the purchaser and reported under Mandan local tax on the sales and use tax return or One-Time Remittance Form found on our website at www.tax.nd.gov/forms.

Contractors

A contractor or subcontractor entering into any contract, except for a labor only contract, is regarded as the final user or consumer of all tangible personal property installed into real property. A contractor or subcontractor is responsible for paying state and local sales or use tax on tangible personal property used or consumed to complete a service contract.

Construction materials are subject to local tax if:

- Purchased from a retailer located inside a taxing jurisdiction for use inside that taxing jurisdiction.
- Purchased elsewhere but stored, used or consumed inside a taxing jurisdiction.

Please Note: The local tax due is reduced by the local tax legally due and paid to another city or county, so reciprocity applies.

Generally, contractors who provide a certificate of exemption (found at www.tax.nd.gov/forms) to avoid payment of sales tax at the time construction materials are purchased are subject to the city or county use tax when the goods are installed whether the goods are used inside or outside of a taxing jurisdiction. The tax is due to the taxing jurisdiction where the goods were purchased.

Fifty-nine (59) local sales tax ordinances provide a limited exemption for materials that are purchased within the jurisdiction, but later installed outside of the jurisdiction where the sale took place. These jurisdictions are Alexander, Anamoose, Aneta, Binford, Bismarck, Bottineau, Burleigh County, Carpio, Cooperstown, Devils Lake, Dickinson, Drake, Drayton, Dunseith, Edgeley, Enderlin, Fairmount, Fargo, Forman, Fort Ransom, Gackle, Garrison, Glenburn, Glen Ullin, Grenora, Gwinner, Halliday, Hankinson, Hannaford, Hettinger County, Lakota, LaMoure, Landa, Leonard, Lidgerwood, Lincoln, Lisbon, Mandan, Max, McVile, Mohall, Morton County, New Leipzig, New Salem, Northwood, Page, Ray, Rolla, St. John, Streeter, Surrey, Thompson, Underwood, Ward County, Washburn, Williston, Wimbledon, Woodworth and Wyndmere.

To qualify for the limited exemption, a contractor must provide the supplier a certificate of exemption at the time of purchase and ask to be exempt from both state and local sales taxes. When the goods are used, the contractor must pay state use tax on the cost of the goods. The local use tax is due to the city or county where the goods are installed only if the goods are installed within a city or county that imposes a local use tax.

A certificate of exemption may also be used in all other taxing jurisdictions that impose local sales, use and gross receipts taxes but that do not allow the limited exemption. When the materials are used, use tax is due to the local jurisdiction where the materials were purchased regardless of where the materials were installed. If the certificate of exemption is not provided, city, county and state sales tax are due at the time of purchase.

Construction materials are not subject to local tax if the goods were purchased from a retailer located in a taxing jurisdiction, but delivered by the retailer outside the taxing jurisdiction for use outside of that taxing jurisdiction.

It is important to note that the maximum tax (refund cap) is calculated on each material purchase a contractor makes to fulfill a construction contract, not on purchase orders or the entire construction contract itself. Accordingly, most construction activity which is subject to local sales or use tax will include more than the specified maximum tax in total local tax costs. While retailers may collect the full amount of sales tax for retail sales (customers may apply for a refund of local tax collected in excess of the maximum tax), when use tax is accrued, it should be accrued up to the maximum tax amount only.

Maximum Tax Refund

The maximum tax is the maximum amount of local tax that could apply to a single transaction. The maximum tax amount (refund cap) allows purchasers to obtain a refund of the local tax paid to the retailer in excess of the maximum tax amount. When retailers collect the total local tax on the selling price and the local tax exceeds the maximum tax, purchasers may apply to the Office of State Tax Commissioner for a refund of the excess amount. Retailers may elect to collect the total tax amount or collect up to the maximum tax amount, but must be consistent in the method they choose.

To file electronically – see our website: www.tax.nd.gov/tap, go to Local Tax Refunds, and apply for a Local Tax Refund.

Compensation

Some local taxes provide for permit holder compensation. If the jurisdiction provides for compensation, sales and use tax permit holders are allowed to retain a portion of their local tax collections or use tax obligations to help recover administrative expenses. The jurisdictions and their appropriate rates and maximums are identified on the preceding pages. Please note that the return must be filed and paid in full by the scheduled due date or your compensation will be disallowed and your local tax obligation will be subject to penalty and interest.

Contact Information

If you have questions regarding information in this publication, please contact the Sales Tax Compliance Section at salestax@nd.gov or 701-328-1246.