

**CHAPTER NINETEEN
CITY SALES TAX**

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**ORDINANCE NO. 2011-01
CHAPTER NINETEEN
CITY SALES TAX**

**AN ORDINANCE TO ESTABLISH AND REGULATE A CITY SALES
AND GROSS RECEIPTS TAX UNDER THE HOME RULE CHARTER OF THE CITY OF
CANDO.**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CANDO, TOWNER COUNTY,
NORTH DAKOTA:

SALES AND GROSS RECEIPTS TAX

19.0101 Definitions.

All terms defined in chapters 40-05.1, 57-39.2, 57-39.4, 57-39.5, 57-39.6, and 57-40.2 of the North Dakota Century Code (N.D.C.C.), including any future amendments, are adopted by reference. All references to the N.D.C.C. include amendments adopted by the North Dakota Legislative Assembly.

19.0102 Collection and Administration.

Where not in conflict with the provisions of this Ordinance, the provisions of N.D.C.C. chapters 40-05.1, 57-39.2, 57-39.4, 57-39.5, 57-39.6, and 57-40.2, and all administrative rules adopted by the Tax Commissioner, pertaining to the collection and administration of the retail sales, use, and gross receipts tax, including provisions for liability, refund, penalty, interest or credit, govern the administration by the North Dakota Office of State Tax Commissioner (hereinafter "Tax Commissioner") of the taxes imposed by this Ordinance.

19.0103 Sales Tax Imposed.

Subject to the provisions of N.D.C.C. § 40-05.1-06, and except as otherwise provided by this Ordinance, or the sales and use tax laws of the State of North Dakota, a tax of two (2) percent is imposed upon the gross receipts of retailers from all sales at retail, including the leasing or renting of tangible personal property, within the corporate limits of the of the city of Cando, North Dakota.

19.0104 Gross Receipts of Alcoholic Beverages.

Subject to the provisions of N.D.C.C. § 40-05.1-06, and except as otherwise provided in this Ordinance, a gross receipts tax of two (2) percent is imposed upon all gross receipts from the sale of alcoholic beverages within the city. A person who receives alcoholic beverages for storage, use, or consumption in this state is subject to tax on storage, use, or consumption of those alcoholic beverages at the rate of two (2) percent.

19.0105 Gross Receipts of New Farm Machinery and New Farm Irrigation Equipment.

Subject to the provisions of N.D.C.C. § 40-05.1-06, and except as otherwise provided in this Ordinance, a gross receipts tax of two (2) percent is imposed upon all gross receipts from the sale of new farm machinery and new farm irrigation equipment within the city. A person who receives new farm machinery or new farm irrigation equipment for storage, use, or consumption in this state is subject to tax on storage, use, or consumption of that machinery and/or equipment at the rate of two (2) percent.

19.0106 Exemptions.

This Ordinance does not provide for any additional exemptions from imposition and computation of the city sales and use tax other than those provided by state law.

19.0107 Contract with Tax Commissioner.

The Cando City Auditor is hereby authorized to contract with the Tax Commissioner for administration and collection of taxes imposed by this Ordinance. The City Auditor has all powers granted to the Tax Commissioner and in the absence of a valid contract with the Tax Commissioner or failure of the Tax Commissioner to perform the delegated duties, shall perform these duties in place of the Tax Commissioner.

19.0108 Compensation

City sales, use, and gross receipts tax permit holders are allowed to retain a portion of tax collected under this ordinance to help recover administrative expenses. This compensation shall equal three (3) percent of the city tax due; however, the deduction is limited to fifty dollars (\$50.00) per month or one hundred and fifty dollars (\$150.00) per quarter. A tax return must be filed and paid in full by the scheduled due date or the compensation will be disallowed and the tax obligation will be subject to penalty and interest.

19.0109 Dedication of Tax Proceeds.

One fourth (1/4) of the gross receipts will be deposited to the Cando Community Development fund to be used for discretionary purposes as resolved by the Council of the City of Cando. Three fourths (3/4) shall be deposited into the City Sales Tax fund to be used at the discretion of the Council of the City of Cando.

19.0110 Repeal of Conflicting Ordinance.

All parts of Revised Ordinance No.06-10 in conflict herewith are hereby repealed.

Effective Date.

This Ordinance shall take effect after its passage, approval, and publication, but not prior to March 1, 2007.

See file for signature
Mark Brehm, Mayor

ATTEST:

See file for signature
Joni M. Morlock, Auditor

FIRST READING: March 21, 2011

SECOND READING AND FINAL PASSAGE: April 4, 2011

PUBLICATION OF TITLE AND PENALTY CLAUSE: April 16, 2011