

**Fifty-ninth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 4, 2005**

HOUSE BILL NO. 1006  
(Appropriations Committee)  
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the office of the state tax commissioner and for payment of state reimbursement under the homestead tax credit; to provide for a transfer; to amend and reenact section 57-01-04 of the North Dakota Century Code, relating to the tax commissioner's salary; and to authorize the tax commissioner to enter into a financing agreement to establish an integrated tax system.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this section represent the base level funding component appropriated to the state tax commissioner in section 3 of this Act as follows:

Salaries and wages	\$12,806,112
Operating expenses	4,438,627
Capital assets	25,000
Homestead tax credit	<u>4,000,000</u>
Total all funds	\$21,269,739
Less estimated income	<u>115,044</u>
Total general fund - Base level	\$21,154,695

**SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The amounts identified in this section represent the funding adjustments or enhancements to the base funding level for the state tax commissioner which are included in the appropriation in section 3 of this Act as follows:

Salaries and wages	\$551,879
Operating expenses	<u>174,702</u>
Total all funds - Adjustments/enhancements	\$726,581
Less estimated income - Adjustments/enhancements	<u>4,956</u>
Total general fund - Adjustments/enhancements	\$721,625

**SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state tax commissioner for the purpose of defraying the expenses of the state tax commissioner and paying the state reimbursement under the homestead tax credit, for the biennium beginning July 1, 2005, and ending June 30, 2007, as follows:

Salaries and wages	\$13,357,991
Operating expenses	4,613,329
Capital assets	25,000
Homestead tax credit	<u>4,000,000</u>
Total all funds	\$21,996,320
Less estimated income	<u>120,000</u>
Total general fund appropriation	\$21,876,320

**SECTION 4. TRANSFER.** There is transferred to the general fund in the state treasury, out of motor vehicle fuel tax revenue, collected pursuant to section 57-43.1-02, the sum of \$1,400,000 for the

purpose of reimbursing the general fund for expenses incurred in the collection of the motor vehicle fuels and special fuels taxes and the administration of these taxes.

**SECTION 5. AMENDMENT.** Section 57-01-04 of the North Dakota Century Code is amended and reenacted as follows:

**57-01-04. Salary.** The annual salary of the state tax commissioner is ~~sixty-eight thousand two hundred seventy-seven dollars through December 31, 2001, seventy-two thousand three hundred seventy-four~~ thirty-six dollars through June 30, ~~2002~~ 2006, and ~~seventy-three thousand eight hundred twenty-one~~ seventy-seven dollars thereafter.

**SECTION 6. FINANCING AGREEMENT AUTHORIZATION - APPROPRIATION.** The state tax commissioner is authorized, with the advice of the chief information officer of the state, to purchase, finance the purchase, and lease equipment, software, and services, as may be determined necessary by the state tax commissioner, to establish an integrated tax processing system for use by the office of the state tax commissioner. The principal amount of any financing agreement entered into by the state tax commissioner may not exceed \$14,000,000 and the proceeds acquired from any financing agreement must be used for this stated purpose and are appropriated for the period beginning with the effective date of this Act and ending June 30, 2007. During the biennium beginning July 1, 2007, and ending June 30, 2009, the state tax commissioner shall commence repayment of any financing agreement entered into, and repayment amounts, including principal and interest, must be incorporated in the state tax commissioner's biennial budget requests to the legislative assembly.

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Chief Clerk of the House

\_\_\_\_\_  
Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1006.

House Vote:      Yeas    81      Nays    11      Absent    2

Senate Vote:    Yeas    44      Nays    0      Absent    3

\_\_\_\_\_  
Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2005.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2005.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2005,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State