

ORDINANCE NO. 2018-1

AN ORDINANCE TO REPEAL ORDINANCE NO. 2008-1 OF THE CITY OF COOPERSTOWN AND TO ESTABLISH AND REGULATE A CITY SALES, USE AND GROSS RECEIPTS TAX UNDER THE HOME RULE CHARTER OF THE CITY OF COOPERSTOWN.

BE IT ORDAINED, by the City Council of the City of Cooperstown, Griggs County, North Dakota, as follows:

SALES, USE AND GROSS RECEIPTS TAX

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.

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.

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 1 ½ 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 city of Cooperstown, North Dakota.

Use Tax Imposed.

Subject to the provisions of N.D.C.C. § 40-05.1-06, and except as otherwise provided in this Ordinance, or the sales and use tax laws of the State of North Dakota, an excise tax is imposed upon the storage, use, or consumption within the corporate limits of the city of Cooperstown, North Dakota of tangible personal property purchased at retail for storage, use, or consumption in this city, at the rate of 1 ½ percent of the purchase price of the property. An excise tax is imposed on the storage, use, or consumption within the corporate limits of the city of Cooperstown, North Dakota of tangible personal property not originally purchased for storage, use, or consumption in

this city at the rate of 1 ½ percent of the fair market value of the property at the time it was brought into this city.

With respect to the purchase price of tangible personal property used by a contractor or subcontractor to fulfill a contract as defined in N.D.C.C. §57-40.2-03.3, the tax imposed by this section applies only to bids submitted on or after the effective date of this Ordinance.

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 1 ½ 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 1 ½ percent.

Gross Receipts of 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 1 ½ percent is imposed upon all gross receipts from the sale of new farm irrigation equipment within the city. A person who receives new farm irrigation equipment for storage, use, or consumption in this state is subject to tax on storage, use, or consumption of that equipment at the rate of 1 ½ percent.

Exemptions.

In addition to the exemptions provided by state law, this Ordinance provides exemptions from imposition and computation of the city sales or use tax for sales of following:

- a) New Farm machines

Sales to contractors that are exempt pursuant to subsection 15 of N.D.C.C. § 57-39.2-04 shall be exempt from any city sales tax, but contractors shall be subject to the city use tax on those items used within the city that would be taxed pursuant to N.D.C.C. § 57-40.2-03.3 on which the city sales tax has not previously been paid.

Contract with Tax Commissioner.

The Cooperstown 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.


Dedication of Tax Proceeds.

All revenues raised and collected under this Ordinance, less administrative expenses shall be dedicated to economic and jobs development, capital improvements and capital equipment. All revenues shall be placed in a separate sales and use tax fund.

This ordinance shall supersede all preceding ordinances regarding establishing and regulating city sales, use and gross receipts tax under the Home Rule Charter within the city of Cooperstown.

Effective Date.

This Ordinance shall take effect and be in full force after its passage, approval, and publication, but not prior to January 1, 2018.



PAUL PAINTNER, Mayor

ATTEST:



NANCY LUNDE, City Auditor

First Reading Nov. 6, 2017
Second Reading Feb. 5, 2018
Final Adoption Feb. 9, 2018
Publication of Title and Penalty Clause: Feb 9, 2018