

ORDINANCE NO. 364

AN ORDINANCE RELATING TO A SALES AND USE TAX PURSUANT TO THE HOME  
RULE CHARTER OF THE CITY OF ROLLA

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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROLLA, ROLETTE  
COUNTY, NORTH DAKOTA

SECTION 1: DEFINITIONS

All terms as defined in Chapters 57-39.2 and 57-40.2 NDCC, including any future amendments, are adopted by reference. All references to the North Dakota Century Code include amendments adopted by the Legislature of the State of North Dakota.

SECTION 2: SALES TAX IMPOSED

Except as otherwise provided in this chapter, a tax of one percent is imposed upon the gross receipts of retailers from all retail sales within the corporate limits of the City of Rolla, North Dakota. Such sales tax shall parallel the State of North Dakota sales and use tax law. All of the exemptions applicable for state sales and use tax law apply to the Rolla sales and use tax including exemptions of tax exempt entities (schools, counties, state agencies, etc.). Such sales tax shall be applied to the following:

1. Tangible personal property, consisting of goods, wares or merchandise.
2. Communications services.
3. Tickets or admissions to places of amusement or entertainment or athletic events, including amounts charged for participations in an amusement, entertainment, or athletic activity, and including the playing of any machine for amusement, or entertainment in response to the use of a coin.
4. Magazines and other periodicals.
5. The leasing or renting of a hotel or motel room or tourist court of accommodations.
6. The leasing or renting of tangible personal property, the transfer of title to which has not been subjected to a retail sales tax under this chapter.
7. Sales of alcoholic beverages and tobacco products as defined in Section 57-39.2-03.2 NDCC.
8. Furnishing and installation of, or attachment to real property in this state by a contractor or a subcontractor who is a retailer of drapes, hardware or hanging drapes, or carpet.

SECTION 3: USE TAX IMPOSED.

Except as otherwise provided in this chapter, a use tax of one percent is imposed on the storage, use or consumption in the City of Rolla on:

1. The purchase price of tangible personal property purchased at retail for storage, use or consumption within the City.
2. The fair market value of tangible personal property which was not originally purchased for storage, use or consumption in the City, at the time which it is brought into this City.
3. Alcoholic beverages and tobacco products which are stored, used or consumed in this City, as provided in Section 57-39.2-03.2 NDCC.
4. The purchase price of tangible personal property used by a contractor or subcontractor to fulfill a contract as defined in Section 57-40.2-03.. NDCC. This tax applies only to bids submitted on or after December 31, 1993.

SECTION 4: EXEMPTIONS.

All sales, storage, use or consumption of tangible personal property which are exempt from imposition and consumption of the sales or use tax of the state of North Dakota are specifically exempt from the provisions of this article.

SECTION 5: MAXIMUM TAX IMPOSED.

No single transaction involving one or more items is subject to a tax in excess of Twenty-five (25) Dollars.

SECTION 6: CONTRACT WITH STATE TAX COMMISSIONER.

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

SECTION 7: COLLECTION AND ADMINISTRATION.

The Tax Commissioner and City Auditor for the City of Rolla shall have the power enumerated in the provisions of Chapter 57-39.2 NDCC and Chapter 57-40.2 NDCC relating to the collection and administration of the state sales and use tax, including all administrative rules adopted by the Tax Commissioner. The Tax Commissioner is authorized to establish rate tables and integrating the tax imposed by this chapter with other state, county and city taxes.

## SECTION 8: CORPORATE OFFICER LIABILITY

Officers of any corporation required to remit taxes imposed by its article are personally liable for the failure of the corporation to file required returns or remit required payments. The dissolution of a corporation shall not discharge an officers's liability for a prior failure of the corporation to make a return or remit the tax due. The tax, penalty and interest due may be assessed and collected pursuant to the provisions adopted by this Ordinance.

## SECTION 9: DEDICATION OF TAX PROCEEDS

It is provided that the percentages in each category shall be reviewed annually and are subject to change by the City Sales Tax Committee appointed by the Mayor and approved by the City Council.

1. Fifty (50) percent of all revenues raised and collected under this ordinance, less administrative expenses, shall be expended for Capital Improvements including but not limited to frontage roads, new streets, community buildings, enclose swimming pool, community recreation, water treatment plant, etc., Infrastructure including but not limited to maintenance of sewer and water, streets, sidewalk projects, etc., and for Contingency Reserve including but not limited to emergency funding for snow removal, disaster funds, mosquito spray, etc.

2. Fifty (50) percent of all revenues raised and collected under this ordinance, less administrative expenses, shall be dedicated to an economic development fund. All revenue shall be maintained in the fund to be known as the Job Development Authority Fund, separate and apart from all other funds, except as provided by this section. The revenue contained in such fund shall be used for community economic development projects. Proposed projects may include assisting and promoting the expansion and maintenance of our existing firms and investigating leads for the purpose of creating new business and industry in the local community. The Job Development Authority would have the responsibility of making available low interest limited loan program which would include capped loans and loan availability only after a firm commitment from the applicant.

## SECTION 10: TERMINATION.

The tax imposed herein shall terminate on January 1, 1999.

SECTION 11: OPTION FOR CONTINUATION.

Ninety (90) days prior to the termination of the sales tax, the City Council will assess the need for continuation. If determined that continuation would be beneficial to the City, the appropriate legal steps will be followed to extend sales tax collections.

SECTION 12: SAVING CLAUSE.

Should any section, paragraph, sentence, clause or phrase of this Ordinance be declared unconstitutional, or invalid for any reason, the remainder of this Ordinance shall not be affected thereby.

SECTION 13: EFFECTIVE DATE.

This Ordinance shall take effect and be in force from and after final passage and due publication according to law. The tax will be implemented on January 1, 1994.

First Reading: Nov. 1, 1993  
Second Reading: Nov. 17, 1993

Approved: Nov. 17, 1993

  
Dennis Neameyer, Mayor

ATTEST:

  
Mary Nordmark, City Auditor