

**Sixtieth Legislative Assembly of North Dakota
In Regular Session Commencing Wednesday, January 3, 2007**

SENATE BILL NO. 2006
(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; to provide an exemption from the provisions of section 54-44.1-11 of the North Dakota Century Code; and to provide for a report to the legislative assembly.

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	\$13,466,823
Operating expenses	4,613,329
Capital assets	25,000
Homestead tax credit	4,500,000
Integrated tax system	<u>14,000,000</u>
Total all funds	\$36,605,152
Less estimated income	<u>14,120,000</u>
Total general fund - Base level	\$22,485,152

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	\$1,276,659
Operating expenses	1,417,485
Capital assets	(7,000)
Integrated tax system	<u>(8,643,298)</u>
Total all funds - Adjustments/enhancements	(\$5,956,154)
Less estimated income - Adjustments/enhancements	<u>(12,420,000)</u>
Total general fund - Adjustments/enhancements	\$6,463,846

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, 2007, and ending June 30, 2009, as follows:

Salaries and wages	\$14,743,482
Operating expenses	6,030,814
Capital assets	18,000
Homestead tax credit	4,500,000
Integrated tax system	<u>5,356,702</u>
Total all funds	\$30,648,998

Less estimated income	<u>1,700,000</u>
Total general fund appropriation	\$28,948,998

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 \$1,274,056 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. EXEMPTION. The amount appropriated for the integrated tax system, as contained in section 6 of chapter 6 of the 2005 Session Laws, is not subject to the provisions of section 54-44.1-11 and the funds are available for continued work on the integrated tax system during the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 6. 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 ~~seventy-six~~ eighty-three thousand ~~seven hundred seventy-four~~ thirty-nine dollars through June 30, ~~2006~~ 2008, and ~~seventy-nine~~ eighty-six thousand ~~eight~~ three hundred ~~forty-five~~ sixty dollars thereafter.

SECTION 7. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in section 3 of this Act includes \$5,356,702 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The state tax commissioner shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

Principal and interest costs for the integrated tax processing system	\$5,356,702
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President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixtieth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2006.

Senate Vote: Yeas 47 Nays 0 Absent 0

House Vote: Yeas 82 Nays 6 Absent 6

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2007.

Approved at _____ M. on _____, 2007.

Governor

Filed in this office this _____ day of _____, 2007,

at _____ o'clock _____ M.

Secretary of State