

HOUSE BILL NO. 1459

Introduced by

Representatives Maragos, Bellew, Brabandt, Frantsvog, Klein, Ruby

Senators Burckhard, Hogue, Krebsbach, Larsen

1 A BILL for an Act to create and enact a new section to chapter 57-39.2 of the North Dakota
2 Century Code, relating to a sales tax rebate for certain purchases of replacement property for
3 property damaged or destroyed by 2011 flooding; to provide an effective date; and to provide an
4 expiration date.

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

6 **SECTION 1.** A new section to chapter 57-39.2 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Sales tax rebate for certain purchases of replacement property for property damaged**
9 **or destroyed by 2011 flooding.**

10 1. For purposes of this section:

11 a. "Claimant" means an individual whose primary residence is in an identified flood
12 zone and who has been approved to receive disaster assistance through the
13 federal emergency management agency due to 2011 river flooding within a
14 disaster or emergency area as declared by the governor in 2011, including
15 ground water incursion resulting from an abnormally high water table in an area
16 threatened by river flooding disaster in this state.

17 b. "Major appliance" means any heating, ventilation, or cooling equipment and any
18 water heater, dishwasher, washer, dryer, refrigerator, freezer, stove, range, oven,
19 cooktop, microwave, vacuum, or fan that is purchased for use in the claimant's
20 primary residence to replace an appliance that was damaged or destroyed due to
21 a 2011 flood disaster in a disaster or emergency area as declared by the
22 governor; provided, that the rebate under this section applies only against the tax
23 under this chapter on the first three thousand two hundred dollars of the
24 purchase price of a major appliance.

1 c. "Residential building supplies" means any of the following items if used in the
2 claimant's primary residence and determined by the tax commissioner to be
3 reasonably related to purposes of restoration, repair, replacement, or rebuilding
4 due to a 2011 flood disaster in this state; provided that the rebate under this
5 section applies only against the tax under this chapter on the first five hundred
6 dollars of the purchase price of a residential building supply item:

7 (1) Cleaning and disinfecting materials as determined by the tax commissioner;

8 (2) Trash bags, boxes, construction tools, and hardware, as determined by the
9 tax commissioner; and

10 (3) Roofing shingles, roofing paper, gutters, downspouts, vents, doors,
11 windows, sheetrock, drywall, insulation, paint and paint materials, flooring,
12 and other necessary building materials, as determined by the tax
13 commissioner.

14 d. "Residential furniture" means furniture commonly used in a residential dwelling,
15 as determined by the tax commissioner, which is used in the claimant's primary
16 residence to replace furniture that was damaged or destroyed due to a 2011 flood
17 disaster in this state; provided, that the rebate under this section applies only
18 against the tax under this chapter on the first three thousand two hundred dollars
19 of the purchase price of the residential furniture item.

20 2. a. This section applies to the claimant's qualifying purchases that occur between
21 June 10, 2011, and December 31, 2013.

22 b. The total amount refunded under this section in connection with any one
23 residence may not exceed two thousand five hundred dollars.

24 3. To claim a refund under this section, a claimant shall file a single application with the
25 tax commissioner on or before December 31, 2013, in a format prescribed by the tax
26 commissioner which must include the aggregate amount requested by the claimant in
27 connection with all eligible purchases under this section. Only one application per
28 residence is allowed. The tax commissioner shall make an approved refund directly to
29 the claimant. An application for refund must include satisfactory proof of receipt of
30 federal disaster assistance, eligible purchases, and taxes under this chapter paid on
31 such purchases and any other information or documentation that the commissioner

1 may require, including store receipts and copies of payment documents such as
2 checks, credit card receipts, or a sworn statement under penalty of perjury to support
3 any purchases made using cash. If purchases were made by a contractor, the
4 claimant must provide with the application a copy of an invoice or receipt from the
5 contractor which separately itemizes the price of each item, sales taxes paid on that
6 purchase and included in the claimant's billing, and labor charges. The commissioner
7 shall develop guidelines concerning the administration of this section which must be
8 posted on the website of the tax department. The commissioner is granted broad
9 discretion to administer the refund process in a manner that the commissioner
10 determines necessary to quickly, efficiently, and accurately carry out the purposes of
11 this section.

12 4. The commissioner may assess a civil penalty not to exceed twenty-five thousand
13 dollars against any claimant that knowingly files a false or fraudulent application for
14 refund under this section.

15 **SECTION 2. EFFECTIVE DATE - EXPIRATION DATE.** This Act becomes effective on
16 July 1, 2013, and is effective through December 31, 2013, and is thereafter ineffective.