

ORDINANCE NO. 227

AN ORDINANCE TO AMEND SECTIONS 227-0102, 227-0103, AND 227-0109, AND SECTION 2 OF ORDINANCE NO. 227, WHICH ORDINANCE NO. 227 IS AN ORDINANCE RELATING TO THE IMPOSITION OF A SALES AND USE TAX FOR THE CITY OF HATTON.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HATTON, NORTH DAKOTA, THAT SECTIONS 227-0102, 227-0103, AND 227-0109, AND SECTION 2 OF ORDINANCE NO. 227 OF THE HATTON CITY ORDINANCES SHALL BE AMENDED TO READ AS FOLLOWS:

227-0102. SALES TAX IMPOSED. Except as otherwise provided in this article, a tax of two percent (2%) is imposed upon the gross receipt of retailers from all sales at retail including the leasing or renting of tangible personal property within the corporate limits of the City of Hatton, North Dakota, of the following:

1. Tangible personal property, consisting of goods, wares, or merchandise.
2. The furnishing or service of communication services, or steam other than steam used for processing agricultural products.
3. Tickets or admissions to places of amusement or entertainment or athletic events, including amounts charged for participation in an amusement, entertainment, or athletic activity; but not 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 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 ordinance.
7. Sales of alcoholic beverages and tobacco products as defined in Section 57-39.2-03.2, N.D.C.C.

227-0103. USE TAX IMPOSED. Except as otherwise provided in this article, an excise tax of two percent (2%) is imposed on the storage, use, or consumption in the City of Hatton 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, N.D.C.C.
4. The purchase price of tangible personal property used by a contractor or subcontractor to fulfill a contract as defined in Section 57-40.2-03.3, N.D.C.C. This tax applies only to bids submitted on or after the effective date of the ordinance.

227-0109. DEDICATION OF TAX PROCEEDS. The proceeds of any sales and use tax, less administrative costs, shall be dedicated and utilized for infrastructure improvements, including publicly-owned utilities and buildings; and for job creation, and business retention, expansion and recruitment with not less than one quarter of the funds generated allocated for job creation, business retention, expansion and recruitment. The proceeds collected pursuant to such tax may be used to make direct payments of cost for the above purposes, or may be pledged to amortize bonds or other debt instruments which may be sold to finance such costs.

SECTION 2: EFFECTIVE DATE. This ordinance shall be in full force and effect only after approval by a majority of voters of the City of Hatton of a change to the Home Rule Charter at the general election held on June 8, 2010, and the tax shall commence and be effective on and after the 1st day of October, 2010.



Mayor - City of Hatton

ATTEST:



City Auditor - City of Hatton

First Reading Date:	March 1, 2010
Second and Final Reading:	April 5, 2010
Effective Date:	April 5, 2010

Publication: As required by law