

Bismarck-Mandan Development Association

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TAXATION ¹ Bismarck ND MSA (Table 15)

Corporate Income Tax/Franchise Tax	State	Local
Rate (range)	1.68% TO 5.15%	
Maximum rate	5.2%	N/A
On taxable income exceeding	\$50,000	N/A
Formula (e.g. Sales, Property & Payroll)	Evenly-weighted three-factor formula	N/A
Federal Taxes Deductible	Yes	N/A
Accelerated Depreciation Permitted	Yes (for assets placed in service after 1983)	N/A
Personal Income Tax	State	Local
Rate (Range)		N/A
Earned Income	1.51% TO 3.99%	N/A
Unearned Income (e.g. Dividend)	N/A	N/A
Local Occupation Tax (Paid by Employee)	Rate	Basis
City Residents	N/A	N/A
Non-City Residents	N/A	N/A
Local Wage Tax (Paid by Employer)	Rate	Basis
City Residents	N/A	N/A
Non-City Residents	N/A	N/A

Gross Receipts Tax Rate by Type of Business

A) Rural electric cooperatives - 2%
B) Telecommunications companies - 2%
C)

Sales/Use Tax Rate

State	5.0%
Local	1.0%
Total	6.0%
Sales Tax Rate by Utility:	
Electric Power	Exempt
Natural Gas	2.0%
Fuel Oil	2¢ per gallon
Water	Exempt

Sewer	N/A			
Hazardous Waste Disposal	N/A			
Telephone				
Local	5.0%			
Long Distance In State	5.0%			
Long Distance Out of State	Exempt			
Machinery & Equipment Subject to Sales/Use Tax				
Production				
Non-Production				
Pollution Control	Taxable			
Office Furniture/Fixtures/Equipment	Taxable (computer and telecommunications equipment for new primary sector business is exempt)			
Sales/Use Tax (Yes or No) on				
Office Building Construction Materials	Taxable			
Industrial Building Construction Materials				
Manufacturing and Ag Co-op	Exempt			
Non-Manufacturing and Non-Ag Co-op	Taxable			
Manufacturers' Raw Materials	Exempt			
Standard Software	Taxable			
Custom Software	Exempt			
Intangible Property				
Describe What is Subject to Tax Rate (e.g. Accounts Receivable, Capital Stock)	N/A			
Basis & Rate	N/A			
Stock Bond Transaction Fee	N/A			
Real Property Tax Rates (2012)		Commercial (10% of assessed value)		Residential (9% of assessed value)
Major Employment Centers	Bismarck - Burleigh	Mandan - Morton	Bismarck - Burleigh	Mandan - Morton
City Millage (includes city park)	107.85	122.94	107.85	122.94
County Millage	50.28	96.04	50.28	96.04
School Millage	101.68	111.18	101.68	111.18
Special District Millage (state medical)	1.00	1.00	1.00	1.00
Total Millage	260.81	331.16	260.81	331.16
Assessment Ratio (%)	97.4%	89.6%	93.2%	96.4%
Effective Rate per \$100	1.27%	1.48%	1.09%	1.44%

Personal Property Tax Rates per \$100	Bismarck - Burleigh	Mandan - Morton	C	D
City Millage	Exempt	Exempt		
County Millage	Exempt	Exempt		
School Millage	Exempt	Exempt		
Special District Millage	Exempt	Exempt		
Assessment Ratio (%)	Exempt	Exempt		
Effective Rate per \$100	Exempt	Exempt		
State Property Tax Effective Rate per \$100				
Real Property	N/A			
Personal Property (machinery/equipment)	Exempt			
Property Tax After Core Income Tax				
Rate	N/A			
Basis & Rate	N/A			
Property Tax After Core Income Tax & State Excise Tax				
Taxable Items	N/A			
Rate for Each Item	N/A			
Subject to Personal Property Tax				
Production Machinery & Equipment	Exempt			
Non Production Machinery & Equipment	Exempt			
Pollution Control	Exempt			
Inventory				
Raw Materials	Exempt			
Work in Progress	Exempt			
Finished Goods	Exempt			
Freeport Legislation				
Applicable to Warehousing	Exempt			
Applicable to Manufacturing	Exempt			
Goods Stored in a Public Warehouse	Exempt			
Office Furniture-Fixtures				
Computer Equipment	Exempt			
Workstations	Exempt			
Telephones	Exempt			
Furniture	Exempt			
Company Vehicles	Exempt			
Standard Software	Exempt			
Custom Software	Exempt			

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