

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO.

Introduced by

Senator Dotzenrod

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 and use tax exemption for clothing; to provide an effective
3 date; and to provide an expiration date.

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

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

7 **Sales tax exemption for clothing.** Gross receipts from sales of clothing are exempt
8 from taxes imposed under this chapter. For purposes of this section, "clothing" means all
9 human wearing apparel suitable for general use. For purposes of this section:

- 10 1. "Clothing" includes:
- 11 a. Aprons, household and shop;
 - 12 b. Athletic supporters;
 - 13 c. Baby receiving blankets;
 - 14 d. Bathing suits and caps;
 - 15 e. Beach capes and coats;
 - 16 f. Belts and suspenders;
 - 17 g. Boots;
 - 18 h. Coats and jackets;
 - 19 i. Costumes;
 - 20 j. Diapers, children and adult, including disposable diapers;
 - 21 k. Ear muffs;
 - 22 l. Footlets;
 - 23 m. Formal wear;
 - 24 n. Garters and garter belts;

Sixty-first
Legislative Assembly

- 1 o. Girdles;
- 2 p. Gloves and mittens for general use;
- 3 q. Hats and caps;
- 4 r. Hosiery;
- 5 s. Insoles for shoes;
- 6 t. Laboratory coats;
- 7 u. Neckties;
- 8 v. Overshoes;
- 9 w. Panty hose;
- 10 x. Rainwear;
- 11 y. Rubber pants;
- 12 z. Sandals;
- 13 aa. Scarves;
- 14 bb. Shoes and shoelaces;
- 15 cc. Slippers;
- 16 dd. Sneakers;
- 17 ee. Socks and stockings;
- 18 ff. Steel-toed shoes;
- 19 gg. Underwear;
- 20 hh. Uniforms, athletic and nonathletic; and
- 21 ii. Wedding apparel.
- 22 2. "Clothing" does not include:
- 23 a. Belt buckles sold separately;
- 24 b. Clothing accessories or equipment;
- 25 c. Costume masks sold separately;
- 26 d. Fur clothing;
- 27 e. Patches and emblems sold separately;
- 28 f. Protective equipment;
- 29 g. Sewing equipment and supplies, including knitting needles, patterns, pins,
- 30 scissors, sewing machines, sewing needles, tape measures, and thimbles;

- 1 h. Sewing materials that become part of clothing, including buttons, fabric, lace,
- 2 thread, yarn, and zippers; and
- 3 i. Sport or recreational equipment.
- 4 3. "Clothing accessories or equipment" means incidental items worn on the person or
- 5 in conjunction with clothing. "Clothing accessories or equipment" includes:
- 6 a. Briefcases;
- 7 b. Cosmetics;
- 8 c. Hair notions, including barrettes, hair bows, and hairnets;
- 9 d. Handbags;
- 10 e. Handkerchiefs;
- 11 f. Jewelry;
- 12 g. Sunglasses, nonprescription;
- 13 h. Umbrellas;
- 14 i. Wallets;
- 15 j. Watches; and
- 16 k. Wigs and hairpieces.
- 17 4. "Fur clothing" means clothing that is required to be labeled as a fur product under
- 18 the federal Fur Products Labeling Act [15 U.S.C. 69], and the value of the fur
- 19 components in the product is more than three times the value of the next most
- 20 valuable tangible component. For purposes of this subsection, "fur" means any full
- 21 or partial animal skin with hair, fleece, or fur fibers attached, either in its raw or
- 22 processed state, but does not include skins that have been converted into leather
- 23 or suede or, which in processing, the hair, fleece, or fur fiber has been completely
- 24 removed.
- 25 5. "Protective equipment" means items for human wear and designed as protection of
- 26 the wearer against injury or disease or as protection against damage or injury of
- 27 other persons or property which are not suitable for general use. "Protective
- 28 equipment" includes:
- 29 a. Breathing masks;
- 30 b. Clean room apparel and equipment;
- 31 c. Ear and hearing protectors;

- d. Face shields;
- e. Hardhats;
- f. Helmets;
- g. Paint or dust respirators;
- h. Protective gloves;
- i. Safety glasses and goggles;
- j. Safety belts;
- k. Tool belts; and
- l. Welders' gloves and masks.

6. "Sport or recreational equipment" means items designed for human use and worn in conjunction with an athletic or recreational activity which are not suitable for general use. "Sport or recreational equipment" includes:

- a. Ballet and tap shoes;
- b. Cleated or spiked athletic shoes;
- c. Gloves, including baseball, bowling, boxing, hockey, and golf;
- d. Goggles;
- e. Hand and elbow guards;
- f. Life preservers and lifevests;
- g. Mouth guards;
- h. Roller and ice skates;
- i. Shin guards;
- j. Shoulder pads;
- k. Ski boots;
- l. Waders; and
- m. Wetsuits and fins.

SECTION 2. EFFECTIVE DATE - EXPIRATION DATE. This Act is effective for taxable events occurring after June 30, 2009, and before July 1, 2011, and is thereafter ineffective.