

Sixty-second  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1439**

Introduced by

Representative Dosch

1 A BILL for an Act to amend and reenact subsection 6 of section 57-39.2-04 of the North Dakota  
2 Century Code, relating to elimination of the sales and use tax exemption for purchases by  
3 states, including the state of North Dakota; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 6 of section 57-39.2-04 of the North Dakota  
6 Century Code is amended and reenacted as follows:

7 6. Gross receipts from all sales otherwise taxable under this chapter made to the United  
8 States, an Indian tribe, or ~~to any state, including the state of North Dakota, or any of~~  
9 ~~the subdivisions, departments, agencies, or institutions~~ political subdivision of any  
10 state. A political subdivision of another state is exempt under this subsection only if a  
11 sale to a North Dakota political subdivision is treated as an exempt sale in that state.  
12 The governmental units exempted by this subsection must be issued a certificate of  
13 exemption by the commissioner and the certificate must be presented to each retailer  
14 whenever this exemption is claimed. For purposes of this subsection, an Indian tribe  
15 means a tribal government agency, instrumentality, or political subdivision that  
16 performs essential government functions and does not include business entities or  
17 agencies the primary purpose of which is to operate a business enterprise.

18 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
19 June 30, 2011.