

Sixty-second  
Legislative Assembly  
of North Dakota

**ENGROSSED SENATE BILL NO. 2171**

Introduced by

Senators Cook, Oehlke, O'Connell

Representatives Froseth, Kempenich, Thoreson

1 A BILL for an Act to amend and reenact section 57-39.2-04.7 of the North Dakota Century  
2 Code, relating to sales and use tax exemption for equipment used in telecommunications  
3 infrastructure development; to provide an effective date; and to provide an expiration date.

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

5 **SECTION 1. AMENDMENT.** Section 57-39.2-04.7 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **57-39.2-04.7. (Effective through June 30, ~~2014~~2013) Sales tax exemption for**  
8 **equipment used in telecommunications infrastructure development.**

- 9 1. Gross receipts from sales of tangible personal property used to construct or expand  
10 telecommunications service infrastructure in this state are exempt from taxes under  
11 this chapter. To be exempt, the tangible personal property must be incorporated into  
12 telecommunications service infrastructure owned by a telecommunications company.
- 13 2. To qualify for exemption at the time of purchase, a telecommunications company must  
14 receive a certificate from the commissioner stating that the property qualifies for the  
15 exemption. If a certificate is not received before the purchase or the purchase is made  
16 by a contractor, subcontractor, or builder, the telecommunications company must apply  
17 to the commissioner for a refund of sales and use taxes paid for which the exemption  
18 is claimed under this section. Application for a refund must be made at the times and  
19 in the manner directed by the commissioner and must include sufficient information to  
20 permit the commissioner to verify the sales and use taxes paid and the exempt status  
21 of the sale or use.

22 **SECTION 2. EFFECTIVE DATE - EXPIRATION DATE.** This Act is effective for taxable  
23 events occurring after June 30, 2011, and before July 1, 2013, and after that date is ineffective.