

HOUSE BILL NO.

Introduced by

Representative Belter

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; and to provide an effective
3 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;

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- 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;

- 1 d. Face shields;
- 2 e. Hardhats;
- 3 f. Helmets;
- 4 g. Paint or dust respirators;
- 5 h. Protective gloves;
- 6 i. Safety glasses and goggles;
- 7 j. Safety belts;
- 8 k. Tool belts; and
- 9 l. Welders' gloves and masks.
- 10 6. "Sport or recreational equipment" means items designed for human use and worn
- 11 in conjunction with an athletic or recreational activity which are not suitable for
- 12 general use. "Sport or recreational equipment" includes:
- 13 a. Ballet and tap shoes;
- 14 b. Cleated or spiked athletic shoes;
- 15 c. Gloves, including baseball, bowling, boxing, hockey, and golf;
- 16 d. Goggles;
- 17 e. Hand and elbow guards;
- 18 f. Life preservers and lifevests;
- 19 g. Mouth guards;
- 20 h. Roller and ice skates;
- 21 i. Shin guards;
- 22 j. Shoulder pads;
- 23 k. Ski boots;
- 24 l. Waders; and
- 25 m. Wetsuits and fins.

26 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable events occurring after
27 June 30, 2009.