

HOUSE BILL NO. 1419

Introduced by

Representatives Wieland, Headland, Klein, K. Koppelman, Owens, Thoreson

Senator Klein

1 A BILL for an Act to amend and reenact subsection 21 of section 57-39.2-01 of the North
2 Dakota Century Code, relating to sales tax application to tangible personal property delivered to
3 out-of-state purchasers for incorporation into or attachment to real property in another state;
4 and to provide an effective date.

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

6 **SECTION 1. AMENDMENT.** Subsection 21 of section 57-39.2-01 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 21. "Retail sale" or "sale at retail" means any sale, lease, or rental for any purpose other
9 than for resale, sublease, or subrental.

10 a. "Retail sale" or "sale at retail" includes ~~the~~:

11 (1) ~~The~~ sale, including the leasing or renting, to a consumer or to any person
12 for any purpose, other than for processing or for resale, of tangible personal
13 property; ~~the~~

14 (2) ~~The~~ sale of steam, gas, and communication service to retail consumers or
15 users; ~~the~~

16 (3) ~~The~~ sale of vulcanizing, recapping, and retreading services for tires; ~~the~~

17 (4) ~~The~~ ordering, selecting, or aiding a customer to select any goods, wares, or
18 merchandise from any price list or catalog, which the customer might order,
19 or be ordered for such customer to be shipped directly to such customer;
20 ~~the~~

21 (5) ~~The~~ sale or furnishing of hotel, motel, or tourist court accommodations; ~~;~~

22 (6) ~~The sale of~~ tickets; or admissions to any place of amusement, athletic
23 event, or place of entertainment; and ~~the~~

~~to an out-of-state purchaser is a taxable sale if the North Dakota
wholesaler or distributor is a licensed contractor in the state of
delivery and incorporates such tangible personal property into, or
attaches it to, real property situated in that state unless such delivery
of possession would be treated as a taxable sale in that state~~

e. "Consumer" includes any hospital, infirmary, sanatorium, nursing home, home for the aged, or similar institution that furnishes services to any patient or occupant.

f. The sale of an item of tangible personal property to a person under a finance leasing agreement over the term of which the property will be substantially consumed must be considered a retail sale if the purchaser elects to treat it as such by paying or causing the transferor to pay the sales tax thereon to the commissioner on or before the last day on which payments may be made without penalty as provided in section 57-39.2-12.

SECTION 2. EFFECTIVE DATE. This Act is effective for taxable events occurring after June 30, 2013.