

Introduced by

Representatives Bellew, Louser, D. Ruby, M. Ruby

Senator Hogue

1 A BILL for an Act to amend and reenact section 57-39.2-10.1 of the North Dakota Century
2 Code, relating to sales tax special events.

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

4 **SECTION 1. AMENDMENT.** Section 57-39.2-10.1 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-39.2-10.1. Responsibilities of special events promoters - Penalty.**

7 1. A promoter or organizer of a special event at which ~~ten~~twenty-five or more special
8 event vendors participate shall, within twenty days following a special event, provide to
9 the tax commissioner a list identifying each participating special event vendor. The list
10 must be in the form and manner prescribed by the tax commissioner and must contain
11 the name and sales tax permit number of each special vendor. Records must be
12 retained by the promoter or organizer to the same extent as all transactions involving
13 sales or use tax as provided in section 57-39.2-10. For purposes of this section:

14 a. "Promoter" or "organizer" means a person or entity that organizes or promotes a
15 special event that results in the rental, occupation, or use of a structure, lot, tract
16 of land, motor vehicle, sample or display case, table, or any other similar items
17 for the provision of displays, promotional activities, or sale of tangible personal
18 property or services by special event vendors.

19 b. "Special event" means an entertainment, amusement, recreation, or marketing
20 event that occurs at a single location on a recurring or irregular basis and where
21 sales, displays, or promotional activities occur. Special events include auto
22 shows, boat shows, gun shows, sport shows, knife shows, home shows, craft
23 shows, flea markets, carnivals, circuses, bazaars, fairs, and art or other
24 merchandise displays or exhibits.

- 1 c. "Special event vendor" means a person or entity making sales, providing
2 displays, or otherwise engaging in promotional activities at a special event.
- 3 2. A special event does not include an event that is organized for the exclusive benefit of
4 a nonprofit organization if all of the net proceeds of the retail sales of all vendors at the
5 event inure to the benefit of a nonprofit organization.
- 6 3. A promoter or organizer of a special event who fails or refuses to comply with this
7 section may be subject to a penalty of two hundred fifty dollars per event, which
8 amount may be waived by the tax commissioner for good cause shown.
- 9 4. Except as otherwise provided in subsection 1, if a promoter or organizer includes a
10 special event vendor in a list previously submitted to the tax commissioner under
11 subsection 1, the promoter or organizer is not required to include the same special
12 event vendor in a list submitted to the tax commissioner for a subsequent special
13 event held within six months of the first event.