

HB1513 Introduction and Support Testimony

March 14, 2023 9:15am Senate Finance and Taxation Committee

Chair Kannianen, Vice-Chair Weber and Members of the Finance and Taxation Committee:

For the record, I am Cindy Schreiber-Beck, District 25 Representative.

House Bill 1513 was at the request of Hospice of the Red River Valley. The organization began construction on North Dakota's first Hospice House in May of 2022. Located in Fargo, the Hospice House will provide a place for families to gather with patients receiving Hospice care.

Hospice of the Red River Valley is exempt from paying sales tax. With the Hospice House construction project, the only option for Hospice to not pay sales tax was to set up accounts with all vendors that supplied materials for the Hospice House project – an immensely cumbersome task with the construction of a major facility. This bill, if passed, simplifies the process by allowing the sales tax exemption at the time of purchase after receiving a certificate from the tax commissioner indicating tangible personal property that Hospice House intends to purchase to construct, expand or upgrade the facility qualifies for the exemption.

Thank you for the opportunity to introduce Engrossed HB 1513 and I would appreciate a favorable consideration.

## Chapter 57-39.2 - Sales Tax

### Chapter 23-17.4 - Hospice Programs

Section	Section Name
23-17.4-01	Definitions
23-17.4-02	Hospice program license required
23-17.4-03	Scope of license
23-17.4-04	Application for license
23-17.4-05	Inspection of hospice program
23-17.4-06	Issuance of license - Renewal
23-17.4-07	Basic requirements for hospice program
23-17.4-08	Rules and standards
23-17.4-09	Inspection and investigation authority
23-17.4-10	Denial, suspension, or revocation of license

#### 57-39.2-04. Exemptions.

There are specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

24. Gross receipts from all sales when made to an eligible facility or emergency medical services provider for the use or benefit of its patient or occupant. For the purposes of this subsection:
  - a. "Eligible facility" means any hospital, skilled nursing facility, intermediate care facility, residential end-of-life facility, basic care facility, or any assisted living facility licensed by the department of health and human services; and
  - b. "Emergency medical services provider" means an emergency medical services operation licensed by the department of health and human services under chapter 23-27.

## Chapter 57-40.2 - Use Tax

57-40.2-033 Use tax on contractors