

**HOUSE BILL NO. 1428  
with Senate Amendments**

**HOUSE BILL NO. 1428**

Introduced by

Representatives Vetter, D. Anderson, Christianson, Grueneich, Karls, Kiefert

Senators Cleary, Dever

1 A BILL for an Act to create and enact a new subsection to section 57-39.2-04 of the North  
2 Dakota Century Code, relating to a sales tax exemption for sales of clothing by a thrift store of a  
3 nonprofit corporation; and to provide an effective date.

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

5 **SECTION 1.** A new subsection to section 57-39.2-04 of the North Dakota Century Code is  
6 created and enacted as follows:

7 Gross receipts from sales of clothing made by a thrift store owned and operated by a  
8 nonprofit corporation exempt from federal taxation under section 501(c)(3) of the  
9 Internal Revenue Code [26 U.S.C. 501(c)(3)]. For purposes of this subsection:

10 a. "Clothing" means all human wearing apparel suitable for general use. The term  
11 does not include a belt buckle or costume mask sold separately, clothing  
12 accessories or equipment, protective equipment, or sport or recreational  
13 equipment.

14 b. "Clothing accessories or equipment" means incidental items worn on the person  
15 or in conjunction with clothing, including briefcases, handbags, jewelry,  
16 sunglasses, watches, and wigs.

17 c. "Protective equipment" means items for human wear and designed as protection  
18 of the wearer against injury or disease or as protections against damage or injury  
19 of other persons or property but not suitable for general use, including breathing  
20 masks, face shields, hard hats, protective gloves, safety glasses and goggles,  
21 and tool belts.

- 1           d. "Sport or recreational equipment" means items designed for human use and  
2           worn in conjunction with an athletic or recreational activity which are not suitable  
3           for general use, including ballet and tap shoes, cleated or spiked athletic shoes,  
4           hand, elbow, and shin guards, roller and ice skates, waders, and wetsuits.

5           **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
6           June 30, 2025.