

HOUSE BILL NO. 1074

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

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 the information reporting responsibilities of special events promoters
3 or organizers under the sales tax laws; and to provide a penalty.

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 **Responsibilities of special events promoters - Penalty.**

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

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

20 b. "Special event" means an entertainment, amusement, recreation, or
21 marketing event that occurs at a single location on a recurring or irregular
22 basis and where sales, displays, or promotional activities occur. Special
23 events include auto shows, boat shows, gun shows, sport shows, knife

- 1 shows, home shows, craft shows, flea markets, carnivals, circuses, bazaars,
2 fairs, and art or other merchandise displays or exhibits.
- 3 c. "Special event vendor" means a person or entity making sales, providing
4 displays, or otherwise engaging in promotional activities at a special event.
- 5 2. A special event does not include an event that is organized for the exclusive
6 benefit of a nonprofit organization if all of the net proceeds of the retail sales of all
7 vendors at the event inure to the benefit of the nonprofit organization on whose
8 behalf the event is being held.
- 9 3. A promoter or organizer of a special event who fails or refuses to comply with this
10 section is subject to a penalty of two hundred fifty dollars per event.