

Sixty-sixth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2191

Introduced by

Senators Cook, Bekkedahl

Representatives Dockter, Hatlestad

1 A BILL for an Act to amend and reenact sections 57-39.2-02.2 and 57-40.2-02.3 of the North
2 Dakota Century Code, relating to the application of sales and use tax to certain sellers located
3 outside this state; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-39.2-02.2 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-39.2-02.2. Certain sellers located outside this state required to collect and remit**
8 **sales taxes - Criteria.**

9 Notwithstanding any other provision of law, any seller of tangible personal property or other
10 taxable product for delivery in this state, which does not have a physical presence in this state,
11 is subject to this chapter and chapter 57-40.2 and shall remit sales or use tax if the seller's
12 gross sales from the sale of tangible personal property and other taxable items delivered in this
13 state exceed one hundred thousand dollars in the previous calendar year, or the current
14 calendar year. A seller that exceeds this sales threshold shall obtain a permit under section
15 57-39.2-14, and begin collecting the tax on sales delivered during the following calendar year or
16 beginning sixty days after the threshold is met, whichever is earlier. The seller shall follow all
17 applicable procedures and requirements of law as if the seller has a physical presence in this
18 state, ~~if the seller meets either of the following criteria in the previous calendar year or the~~
19 ~~current calendar year:~~

- 20 1. ~~The seller's gross sales from the sale of tangible personal property and other taxable~~
21 ~~items delivered in this state exceed one hundred thousand dollars; or~~
22 2. ~~The seller sold tangible personal property and other taxable items for delivery in this~~
23 ~~state in two hundred or more separate transactions.~~

1 **SECTION 2. AMENDMENT.** Section 57-40.2-02.3 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **57-40.2-02.3. Certain sellers located outside this state required to collect and remit**
4 **sales taxes - Criteria.**

5 Notwithstanding any other provision of law, any seller of tangible personal property or other
6 taxable product for delivery in this state, which does not have a physical presence in this state,
7 is subject to this chapter and chapter 57-39.2 and shall remit sales or use tax if the seller's
8 gross sales from the sale of tangible personal property and other taxable items delivered in this
9 state exceed one hundred thousand dollars in the previous calendar year, or the current
10 calendar year. A seller that exceeds this sales threshold shall obtain a permit under section
11 57-39.2-14, and begin collecting the tax on sales delivered during the following calendar year or
12 beginning sixty days after the threshold is met, whichever is earlier. The seller shall follow all
13 applicable procedures and requirements of law as if the seller had a physical presence in this
14 state, ~~if the seller meets either of the following criteria in the previous calendar year or the~~
15 ~~current calendar year:~~

- 16 1. ~~The seller's gross sales from the sale of tangible personal property and other taxable~~
17 ~~items delivered in this state exceed one hundred thousand dollars; or~~
18 2. ~~The seller sold tangible personal property and other taxable items for delivery in this~~
19 ~~state in two hundred or more separate transactions.~~

20 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
21 December 31, 2018.