

**Sixty-sixth Legislative Assembly of North Dakota  
In Regular Session Commencing Thursday, January 3, 2019**

SENATE BILL NO. 2191  
(Senators Cook, Bekkedahl)  
(Representatives Dockter, Hatlestad)

AN ACT to amend and reenact sections 57-39.2-02.2 and 57-40.2-02.3 of the North Dakota Century Code, relating to the application of sales and use tax to certain sellers located outside this state; and to provide an effective date.

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

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

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

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

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

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

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

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

1. ~~The seller's gross sales from the sale of tangible personal property and other taxable items delivered in this state exceed one hundred thousand dollars; or~~

2. ~~The seller sold tangible personal property and other taxable items for delivery in this state in two hundred or more separate transactions.~~

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

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-sixth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2191.

Senate Vote:    Yeas 46            Nays 0            Absent 1

House Vote:    Yeas 89            Nays 0            Absent 5

\_\_\_\_\_  
Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2019.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2019.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2019,  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State