

February 14, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1513

Page 1, line 1, replace "subdivision to subsection 3 of section 57-40.2-03.3" with "section to chapter 57-39.2"

Page 1, line 2, replace "payment of use tax by contractors" with "a sales and use tax exemption for materials used to construct, expand, or upgrade a hospice care facility owned by a hospice program"

Page 1, line 3, replace "subsection 24 of section 57-39.2-04" with "subsection 3 of section 57-40.2-03.3"

Page 1, remove line 4

Page 1, line 5, replace "patient or occupant" with "use tax exemption for materials used to construct, expand, or upgrade a hospice care facility owned by a hospice program"

Page 1, replace lines 7 through 23 with:

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

**Sales and use tax exemption for materials used to construct, expand, or upgrade a hospice care facility owned by a hospice program.**

1. Gross receipts from sales of tangible personal property used to construct, expand, or upgrade a hospice care facility owned by a hospice program as defined in section 23-17.4-01 which qualifies as an exempt organization under subsection 24 of section 57-39.2-04 are exempt from taxes under this chapter.
2. The exemption may be received only at the time of purchase. To receive the exemption, the entity qualifying for an exemption under this section must receive from the tax commissioner a certificate indicating the tangible personal property the entity intends to purchase to construct, expand, or upgrade the facility qualifies for the exemption under this section.
3. This chapter and chapter 57-40.2 apply to an exemption under this section.

**SECTION 2. AMENDMENT.** Subsection 3 of section 57-40.2-03.3 of the North Dakota Century Code is amended and reenacted as follows:

3. The tax imposed by this section does not apply to:
  - a. Production equipment or tangible personal property as authorized or approved for exemption by the tax commissioner under section 57-39.2-04.2;
  - b. Machinery, equipment, or other tangible personal property used to construct an agricultural commodity processing facility as authorized or approved for exemption by the tax commissioner under section 57-39.2-04.3 or 57-39.2-04.4;

- c. Tangible personal property used to construct or expand a system used to compress, process, gather, or refine gas recovered from an oil or gas well in this state or used to expand or build a gas-processing facility in this state as authorized or approved for exemption by the tax commissioner under section 57-39.2-04.5;<sub>2</sub>
- d. Tangible personal property used to construct or expand a qualifying oil refinery as authorized or approved for exemption by the tax commissioner under section 57-39.2-04.6;<sub>2</sub>
- e. Tangible personal property used to construct or expand a qualifying facility as authorized or approved for exemption by the tax commissioner under section 57-39.2-04.10;<sub>2</sub>
- f. Tangible personal property used to construct or expand a qualifying facility as authorized or approved for exemption by the tax commissioner under section 57-39.2-04.11;<sub>2</sub>
- g. Materials used in compressing, gathering, collecting, storing, transporting, or injecting carbon dioxide for use in enhanced recovery of oil or natural gas as provided in section 57-39.2-04.14;<sub>2</sub>
- h. Tangible personal property used to construct a qualifying fertilizer or chemical processing facility as authorized or approved for exemption by the tax commissioner under section 57-39.2-04.15;~~0~~<sub>2</sub>
- i. Tangible personal property used to construct a qualified straddle plant, a qualified fractionator, or qualified associated infrastructure as authorized or approved for exemption by the tax commissioner under section 57-39.2-04.16.
- j. Tangible personal property used to construct, expand, or upgrade a hospice care facility owned by a hospice program as authorized or approved for exemption by the tax commissioner under section 1 of this Act."

Page 2, line 1, replace "taxable events" with "construction"

Renumber accordingly