

**Fifty-ninth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 4, 2005**

HOUSE BILL NO. 1496  
(Representatives Nelson, S. Kelsh, Monson)  
(Senators Seymour, Tollefson)

AN ACT to create and enact a new subsection to section 57-39.2-04 and a new section to chapter 57-43.2 of the North Dakota Century Code, relating to a sales and use tax exemption for sales of hydrogen and production, storage, and transportation equipment used by a facility engaged in hydrogen generation and a special fuels tax exemption for the sale of hydrogen; to provide an effective date; and to provide an expiration date.

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

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

Gross receipts from the sale at retail of hydrogen to power an internal combustion engine or fuel cell and equipment used directly and exclusively in production and storage of the hydrogen by a hydrogen generation facility in this state. For purposes of this subsection, "storage" means stationary and portable hydrogen containers or pressure vessels, piping, tubing, fittings, gaskets, controls, valves, gauges, pressure regulators, safety relief devices, and other accessories intended for hydrogen storage containers or pressure vessels.

**SECTION 2.** A new section to chapter 57-43.2 of the North Dakota Century Code is created and enacted as follows:

**Special fuels tax exemption for hydrogen.** Sales of hydrogen to power an internal combustion engine or fuel cell are exempt from the taxes imposed by sections 57-43.2-02 and 57-43.2-03.

**SECTION 3. EFFECTIVE DATE - EXPIRATION DATE.** This Act is effective for taxable events occurring after June 30, 2005, and before July 1, 2010, and is thereafter ineffective.

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

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President of the Senate

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Chief Clerk of the House

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Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1496.

House Vote:      Yeas    91      Nays    0      Absent    3

Senate Vote:    Yeas    42      Nays    4      Absent    1

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

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2005.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2005.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2005,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

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