CHAPTER 81-04.1-02
SALES TO GOVERNMENT ENTITIES

Section
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81-04.1-02-01. Sales to the state of North Dakota, any subdivisions of North Dakota, and sales by municipal corporations.

Gross receipts from sales of tangible personal property or from furnishing taxable services to this state or any of its political subdivisions, departments, agencies, or institutions are exempt from sales tax.

Retail sales or furnishing of services to the public by any state, subdivisions, departments, or institutions of any state, are subject to sales tax.

History: Effective June 1, 1984; amended effective August 1, 1994; July 1,1998.
General Authority: NDCC 57-39.2-19, 57-40.2-13; S.L. 1993, Ch. 561
Law Implemented: NDCC 57-39.2-01, 57-39.2-02.1, 57-39.2-03.2, 57-39.2-03.3, 57-39.2-04; S.L. 1993, ch. 561

81-04.1-02-02. Contracts with governments.

A contractor performing contracts for the United States government, this state, counties, cities, villages, or any other municipal corporation in this state is not exempt from payment of the sales or use tax on materials and supplies used by the contractor to carry out the contracts.

History: Effective June 1, 1984.
General Authority: NDCC 57-39.2-19, 57-40.2-13
Law Implemented: NDCC 57-39.2-01, 57-39.2-02.1, 57-39.2-04, 57-39.2-10, 57-39.2-20,

81-04.1-02-03. Tangible personal property purchases - United States government.

Except as provided by Congress, the United States government is not required to collect sales tax when making a sale. However, the purchaser of taxable tangible personal property or services from the United States government must report and remit the sales or use tax.

History: Effective June 1, 1984.
General Authority: NDCC 57-39.2-19, 57-40.2-13
Law Implemented: NDCC 57-39.2-01, 57-39.2-02.1, 57-39.2-03.2, 57-39.2-03.3, 57-39.2-04,

81-04.1-02-04. Sales to federal corporations.

Federal statutes creating the following corporations contain provisions which have been construed by the United States supreme court as exempt from sales or use tax.

1. Federal land banks.
2. Federal deposit insurance corporation.
3. Homeowners loan corporation.
4. Federal farm mortgage corporation.

5. Federal home loan banks.

6. Reconstruction-finance corporation.

7. American national red cross.

8. Federal credit unions.

History: Effective June 1, 1984.
General Authority: NDCC 57-39.2-19
Law Implemented: NDCC 57-39.2-01, 57-39.2-02.1, 57-39.2-04, 57-40.2-04