

Form ST - Sales, Use, and Gross Receipts Tax Return instructions

General and specific line instructions for Form ST

General instructions

Every permit holder must file a return for each reporting period even if no sales were made or no tax is due.

A preprinted return, taxpayer copy with instructions, and return envelope are mailed in the final week of the reporting period to every registered permit holder that files a paper return. **DO NOT** mail a paper return if you file electronically. For information about electronic filing see www.nd.gov/tax.

Please review the preprinted copy of your return before completing the taxpayer copy of your return. The original return has been preprinted specifically for your business.

All returns are due the last day of the month following the reporting period.

To avoid penalty, the return must be postmarked by the US Postal Service on or before the due date and paid in full with a valid check or money order.

For best results, complete the original customized form and mail it in the return envelope provided.

DO NOT send photocopies. Returns generated from a software package are acceptable if the Tax Commissioner has pre-approved the form and the required identifying information is provided.

If you use an approved software package to prepare your return it is essential to enter the following identifying information properly:

- **Account number.** Enter the account number as shown on your preprinted form.
- **Period ending.** Enter the last day of the tax-reporting period.
- **Name and Address.** Enter the taxpayer name and address.

Line instructions - State Taxes

Line 1 - Enter the total sales for the reporting period. Do not include the sales tax in this amount.

Line 2 - Enter the total nontaxable sales.

Nontaxable sales include:

- Sales to federal, state, and local governments.
- Sales to nursing homes, hospitals, intermediate/basic care facilities, emergency medical services providers licensed by North Dakota Dept. of Health, assisted living facilities licensed by the North Dakota Dept. of

Form ST Do's and Don'ts

Do

- Use the Taxpayer Copy as a worksheet.
- Complete and return original forms provided by the Tax Commissioner.
- Print in blue or black ink.
- Print neatly within the designated spaces.
- Round all values in lines 1 through 4 to the nearest whole dollar.
- Enter dollars and cents in lines 5 through 14 and for all local tax data.

Don't

- Don't enter dollar signs (\$), commas (,), or decimal points (.).
- Don't use dashes or other symbols to indicate you do not have an entry.
- Don't use pencil or light colored ink.
- Don't use Column A unless reporting a state tax rate other than 5%.

Human Services, and voluntary health associations.

- Sales of food and food ingredients for humans excluding prepared food, candy, soft drinks, and dietary supplements.
- Sales of feed, seed, and chemicals used for agricultural purposes.
- Sales of used farm machinery and farm machinery repair parts used exclusively for agricultural purposes (applicable for Farm Machinery Gross Receipts Tax only); electricity; water; steam for ag processing; motor and heating fuel.
- Sales of oxygen, prescription drugs, durable medical equipment for home use, mobility-enhancing equipment, prosthetic devices, diabetic and bladder dysfunction supplies.
- Sales to Montana residents who complete a Certificate of Purchase on purchases of goods in excess of fifty dollars.
- Sales in interstate commerce (delivered outside North Dakota).
- Sales of nontaxable service.
- Sales for resale or processing.
- Trade-in allowance, bad debts, and returned merchandise.

Line 3 - Enter the cost of taxable goods and equipment consumed or used by you that was purchased without tax. For example, items removed from inventory and used by you.

Line 4 - Add lines 1 and 3, and subtract line 2. Enter the result on line 4.

Line 5 - Multiply line 4 by the applicable tax rate and enter the result on line 5.

Line 6 - Add column A and B on line 5 and enter amount on line 6.

Line 7 - All permit holders reporting more than \$333,000 of taxable sales and purchases in the previous calendar year are required by law to file monthly returns. This law also provides monthly filers with a compensation of up to \$85 a month. If the Tax Commissioner's Office notified your company that it qualifies for compensation, multiply the total state tax on line 6 times 1½ percent (.015) and enter the result on line 7. **The compensation may not exceed \$85.** Compensation may not be deducted if the return is filed after the due date or is not paid in full.

Quarterly filers and monthly filers that are not required by law to file monthly do not qualify for compensation. If you are not eligible to claim compensation, line 7 of the preprinted form will have XXXs printed in this amount field. If you take compensation but are not eligible to take it, you will be billed for the additional tax due. Penalty and interest will be assessed on tax due resulting from unauthorized compensation deduction.

Line 8 - Subtract total compensation on line 7 from line 6 and enter the result on line 8.

Line 9 - Calculate penalty if filing a late return.

- For the first month the return is late, the penalty is 5 percent of the state tax on line 5 or \$5, whichever is greater.
- For each additional month or fraction of a month the return is late, add an additional penalty of 5 percent of the state tax on line 5 up to a maximum of 25 percent.

If items (a) and (b) of line 9 are filled with XXXs, calculate penalty on the total state tax (line 6) and enter in line 9, column B. If items (a) and (b) are blank, calculate penalty on the state tax (line 5) separately for each column, enter the penalty amounts in items (a) and (b), and enter the total penalty in line 9, column B.

Line 10 - If filing a late return, enter the amount of interest due. Interest does not apply to the first month a return is late, but applies at a rate of 1 percent each month or fraction of a month the return remains late or unpaid.

Line 11 - Add lines 8, 9, and 10. Enter the result on line 11.

Local option sales, use, and gross receipts taxes

If you reported more than ten local taxes in the past year, use the Schedule ST-Local included with your return to report all local taxes due. If you reported ten or less local option taxes in the past year, the Local Option Tax section on Form ST is preprinted with information regarding each local jurisdiction you reported.

The *Schedule ST-Local* lists the cities and counties without compensation on page 1 and the cities and counties with compensation on page 2. Additional instructions are available on the department's web site or by contacting our office.

Instructions for reporting local option taxes:

- Report all local tax amounts in dollars and cents.
- Report all local taxes in one place. Do not report some local taxes on Form ST and other local taxes on Schedule ST-Local. If reporting ten or less local taxes, use the Local Option Tax section on Form ST. To report more than ten local taxes, report all on Schedule ST-Local.
- If you use Schedule ST-Local, all local codes, city/county names, and compensation rates are preprinted on the schedule. Additional ST-Local Schedules

and instructions are available at www.nd.gov/tax or by calling 701-328-1246.

- If you report local taxes in the Local Option Tax section on Form ST, and you are reporting a local tax for the first time, enter the local tax code, name of the city or county, and compensation rate from the list at the bottom of these instructions.

Column C—Total local option tax

Enter the total amount of tax due for each city or county. The tax due is equal to the correct amount of local sales or use tax you should have charged on sales made within the local jurisdiction plus any local use tax due on untaxed goods or services subject to use tax because they were stored, used or consumed within the local jurisdiction.

Column E—Compensation allowance

Some local jurisdictions provide compensation to permit holders for collecting and remitting local tax. Multiply the tax in column C times the compensation rate in column D. Compensation may not exceed the maximum amount listed below and is not allowed if the return is late or underpaid. **Note: If amount in column C is negative, enter zero in column E.**

Column F—Net local option tax due

Subtract the compensation in column E

from the total local tax in column C and enter the result.

Line 12—Net local option tax due

Add all of the amounts in column F and enter the result. This is the total amount of local tax due with the return.

Line 13—Local option penalty and interest

If the return is unpaid or filed after the due date, a local penalty is due. Penalty and interest, including the minimum \$5 penalty, applies separately to each jurisdiction with local tax due. On line 13, enter the total amount of all penalty and interest due on local taxes.

Line 14—Total due with return

Add lines 11, 12, and 13 to calculate the total amount due with the return.

Make your check payable to North Dakota Tax Commissioner.

The taxpayer or taxpayer's agent must sign the return. Please PRINT the name, title and phone number of a contact person who can answer questions about this return.

**Office of State Tax Commissioner
PO Box 5623
Bismarck, ND 58506-5623
Phone: 701.328.1246
www.nd.gov/tax**

Local Option Taxes: Code/Jurisdiction Name/Compensation Rate/Tax Rate

220 Anamoose ⁰1%	157 Drayton ⁰1%	158 Hankinson ⁰1%	121 Linton ²2%	145 New Rockford ⁰ ..2%	120 Strasburg ²1%
203 Aneta ⁰1%	204 Dunseith ⁰1%	202 Hannaford ⁰1%	136 Lisbon ⁰1½%	217 New Salem ⁰1%	223 Streater ⁰1%
162 Ashley ¹1%	148 Edgeley ²2%	112 Harvey ³1%	193 Maddock ⁰1½%	197 Northwood ⁰1½%	132 Tioga ⁰1%
156 Beach ⁰1%	176 Edinburg ⁰1%	222 Harwood ⁰1%	108 Mandan ³1%	146 Oakes ³1½%	195 Tower City ⁰1%
133 Belfield ⁰2%	179 Elgin ⁰1%	164 Hatton ⁰1%	218 Mapleton ⁰1%	189 Oxbow ⁰1%	170 Towner ²1%
138 Berthold ⁰1%	131 Ellendale ²1%	180 Hazelton ²1%	150 Mayville ⁰2%	208 Page ⁰1%	182 Turtle Lake ⁰2%
200 Beulah ²1%	166 Enderlin ⁰1%	134 Hazen ³1%	140 McClusky ⁰1%	130 Park River ⁰2%	211 Underwood ⁰ ...1½%
102 Bismarck ³1%	206 Fairmount ⁰1%	142 Hettinger ⁰1%	188 McVile ⁰1%	119 Pembina ⁰1½%	113 Valley City ⁰2%
122 Bottineau ²2%	105 Fargo ⁰1½%	168 Hillsboro ⁰2%	178 Medora ⁰2½%	151 Portland ⁰2%	175 Velva ⁰2%
126 Bowman ⁰1%	167 Finley ⁰1%	172 Hoople ³1%	187 Michigan ⁰1½%	154 Powers Lake ³1%	111 Wahpeton ⁴1½%
196 Buffalo ³1%	221 Forman ⁰1%	185 Hope ⁰1%	169 Milnor ⁰1½%	198 Reeder ⁰1%	160 Walhalla ⁰2%
161 Cando ²2%	177 Fort Ransom ⁰1%	110 Jamestown ⁰2%	216 Minto ³1%	152 Regent ⁰2%	502 Walsh Co. ⁰¼%
124 Carrington ⁰1%	210 Gackle ⁰1%	117 Kenmare ⁰2%	214 Minnewaukan ⁰ 1½%	159 Richardton ⁰2%	183 Washburn ³2%
191 Carson ⁰1%	139 Garrison ⁰2%	135 Killdeer ⁰1½%	103 Minot ⁵2%	199 Rolette ⁰1%	171 Watford City ³1%
163 Casselton ⁰1%	219 Glenburn ⁰1%	165 Kulm ⁰2%	114 Mohall ⁰1%	125 Rolla ⁰1½%	129 West Fargo ⁰1%
127 Cavalier ⁰1½%	212 Glen Ullin ⁰1%	213 Lakota ⁰1%	153 Mott ⁰1½%	118 Rugby ²2%	504 Williams Co.½%
141 Cooperstown ⁰ 1½%	101 Grand Forks ⁶ ...1¾%	149 LaMoure ⁰1½%	173 Munich ²1%	190 Scranton ⁰1%	184 Wilton ³1%
116 Crosby ⁰1%	107 Grafton ³2%	123 Langdon ³2%	144 Napoleon ²2%	186 St. John ³1%	109 Williston ³2%
104 Devils Lake ³2%	192 Grenora ⁰1%	128 Larimore ⁰1%	201 Neche ⁰2%	137 Stanley ³1%	205 Wimbledon ⁰1%
106 Dickinson ⁰1½%	207 Gwinner ⁰1%	215 Leonard ⁰1%	194 New England ⁰ ...2%	147 Steele ⁰2%	155 Wishek ³1%
209 Drake ⁰2%	143 Halliday ⁰1%	181 Lidgerwood ⁰1%	174 New Leipzig ⁰1%	503 Steele County ⁰ ..1%	224 Woodworth ⁰1%

- ⁰ The Local tax ordinance does not provide for permit holder compensation.
- ¹ Compensation rate is 3% up to a maximum amount of \$33.33 on a monthly return or \$100 on a quarterly return.
- ² Compensation rate is 3% up to a maximum amount of \$50 on a monthly return or \$150 on a quarterly return.
- ³ Compensation rate is 3% up to a maximum amount of \$83.33 on a monthly return or \$250 on a quarterly return.
- ⁴ Compensation rate is 3% with no maximum.
- ⁵ Compensation rate is 5% up to a maximum amount of \$83.33 on a monthly return or \$250 on a quarterly return.
- ⁶ Compensation rate is 5% up to a maximum amount of \$166.67 on a monthly return or \$500 on a quarterly return.

**Office of State Tax Commissioner, PO Box 5623, Bismarck, North Dakota 58506-5623
Phone: 701.328.1246, www.nd.gov/tax**