



STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
RYAN RAUSCHENBERGER, COMMISSIONER

August 1, 2016

Craig Johnson, Executive Director
Streamlined Sales Tax Governing Board, Inc.
100 Majestic Drive, Suite 400
Westby, WI 54667

Re: North Dakota's 2016 SSUTA Compliance Recertification

Dear Mr. Johnson:

Pursuant to Section 803 of the Streamlined Sales and Use Tax Agreement ("Agreement") and Rule 803.1, on behalf of the state of North Dakota, a Streamlined Sales Tax Governing Board member state, and as North Dakota State Tax Commissioner, I hereby certify to the Streamlined Sales Tax Governing Board that North Dakota is in substantial compliance with the terms of the Agreement as of August 1, 2016.

North Dakota has not held a legislative session since August 1, 2015; therefore, no legislative changes have been approved since our last recertification. However, rule changes were adopted to North Dakota Administrative Code (N.D.A.C.) effective July 1, 2016. None of the changes impact North Dakota's compliance with the terms of the Agreement, nor do they reflect changes in administrative policy or statutes. The amendments were promulgated to repeal or modify outdated language that had not been updated to reflect previous statute amendments.

- N.D.A.C. 81-04.1-01-24 regarding federal excise taxes was repealed because the rule is no longer needed. The statutory definition of "sales price" (gross receipts) includes taxes imposed on the seller and excludes taxes legally imposed directly on the consumer.
- N.D.A.C. 81-04.1-03-03 regarding prepared food was amended to reflect a 2015 legislative change to exclude from prepared food, food that ordinarily requires cooking before consumption.
- N.D.A.C. 81-04.1-03-04 regarding sales in interstate commerce was amended to reflect existing sourcing rules and policy regarding shipping companies.
- N.D.A.C. 81-04.1-04-41.1 regarding communication services makes two corrections to the rule to reflect current statute. The rule removed reference to one-way communication services and corrected the definition of "fixed wireless service", which was already correctly stated in the sales tax statute.

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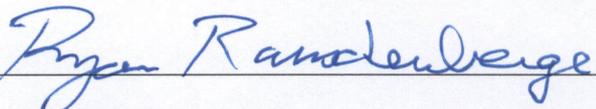
Additional administrative code changes were implemented; however, none of the other rules impacted areas reflected in the Agreement. The complete chapters of North Dakota Administrative Code regarding sales and use taxes are available at <http://www.legis.nd.gov/information/acdata/html/81-04.1.html>.

As part of this annual recertification, North Dakota updated its Online Certificate of Compliance and Taxability Matrix that reflect North Dakota's laws as enacted through August 1, 2016 and has approved them to be published on the Streamlined Sales Tax Governing Board website. Links to these documents will also be posted on North Dakota's website at www.nd.gov/tax.

If you have any questions regarding North Dakota's compliance with the Streamlined Sales and Use Tax Agreement, please contact Myles Vosberg, Director, Tax Administration Division, at msvosberg@nd.gov or (701) 328-3471.

As Tax Commissioner of North Dakota, I also declare that the Online Certificate of Compliance and Taxability Matrix are true, correct, and complete to the best of my knowledge and belief.

Dated this 1 day of August, 2016



Ryan Rauschenberger
Tax Commissioner