



Prepaid Wireless 911 Fee Information Sheet

Prepaid wireless 911 fees must be collected by the retailer on the sale of prepaid wireless service at the time of sale. A prepaid wireless service is a mobile wireless telecommunication service, which includes downloading digital products and content. Prepaid wireless service must be paid in advance and is sold in predetermined units or dollars. As the predetermined units are used, the amount remaining available for use declines in a known amount. Examples include prepaid calling cards and minutes added to “pay-as-you-go” phones. Prepaid wireless services are commonly sold by department stores, electronics stores, grocery stores, convenience stores, and many other businesses. The prepaid wireless 911 fees are in lieu of the traditional 911 fee, which is collected on landline services and traditional wireless plans. *These fees are not included in the tax base for computing state and local sales taxes. The 911 fee must be itemized and collected from the purchaser.*

Retailers selling a bundled telecommunications service (phone and service) may choose to not charge the 911 fee when the portion applying to the prepaid wireless service is ten minutes or less or has a value of five dollars or less. If the minutes or dollars of the service are not disclosed separately, prepaid wireless telecommunication services bundled with other goods require the collection of the 911 fee on the entire selling price of the bundle.

Rate:

- The prepaid wireless 911 fee rate is 2.5 percent.

How do I apply for a prepaid wireless account?

- New businesses without a North Dakota sales tax permit must complete a sales tax application available on our website www.nd.gov/tax/tap/application.
- Businesses with an active North Dakota sales tax permit need to send an email to taxregistration@nd.gov requesting a prepaid wireless account. *The email should include the start date, permit number that this account is directly related to, and the location address of the permit.*

Do I need a prepaid wireless account for each location that sells prepaid wireless?

You may request a consolidated prepaid wireless account. If you obtain a consolidated account, one account will be used to report all prepaid wireless tax for all your locations. Send an email to taxregistration@nd.gov that includes each location address for the prepaid wireless.

How often do I need to file a return?

The prepaid wireless 911 fee filing schedule is the same as your sales tax filing schedule unless you request a different schedule.

How do I file a return?

Prepaid wireless 911 fees are reported on a separate return and are not to be included on your sales tax return. Prepaid wireless 911 fee returns may be filed through our Taxpayer Access Point (TAP). Contact our Registration Section if you need help setting up TAP access or adding access to your prepaid wireless 911 fee account.

If you have any questions about the collection of the prepaid wireless 911 fee, please contact the Sales Tax Compliance section at 701-328-1246 or salestax@nd.gov.