



Guideline

Sales Tax Eye Care Specialists

Cory Fong
Tax Commissioner

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Tax Exempt Sales

- a) The fees for professional services charged by an oculist, ophthalmologist, or optometrist are not subject to the sales tax.
- b) Sales of prescription eye glasses or contact lenses by an oculist, ophthalmologists, optometrist, or optician to a final user are exempt from sales tax. Sales of eye glasses or contact lenses by an optical supply company to an oculist, ophthalmologist, optician, or optometrist are also exempt from sales tax since these items are purchased for resale.
- c) Replacement lenses, frames, face pieces, temples, screws and other repair or replacement parts for prescription eye glasses are exempt from sales tax when sold either by an optical supply company to an oculist, ophthalmologist, optician or optometrist or when sold by an oculist, ophthalmologist, optician, or optometrist to a customer.

Taxable Sales

Sales tax must be collected on all sales of nonprescription eyeglasses (other than plano sold under prescription), binoculars, telescopes, opera glasses, cleaning solutions, salt tablets, accessories, glass cases and similar items. Oculists, ophthalmologists, optometrists, or opticians making such sales must hold an active North Dakota sales and use tax permit and must collect and remit sales tax on all such sales.

Oculists, ophthalmologists, optometrists, and opticians should purchase these inventory items tax free by supplying a certificate of resale to their supplier.

Taxable Purchases

Oculists, ophthalmologists, optometrists and opticians are required to pay sales tax on all equipment, material and supplies which are used to maintain an office and to render services, however, this does not include glasses, repair parts, accessories and other items which are purchased for resale. Taxable items include but are not limited to instruments, office and professional furniture and equipment, office supplies, cleaning supplies, and similar items.

If these items are purchased from a supplier who holds a North Dakota sales and use tax permit, North Dakota sales tax should be paid directly to the supplier. If these items are purchased from a supplier who fails to charge North Dakota sales or use tax, the purchaser should include the cost of such purchases on *the Items Subject to Use Tax* line of the North Dakota sales and use tax return and remit the use tax on those items directly to the Office of State Tax Commissioner.

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Local Sales and Use Tax

Various cities in the state also impose local sales and use taxes, which a retailer must collect in addition to the state's sales and use taxes. The city taxes are imposed locally, however the Office of State Tax Commissioner administers the local sales and use taxes. Please contact the Office of State Tax Commissioner for additional information regarding the city taxes which may affect you.