



NORTH DAKOTA OFFICE OF STATE TAX COMMISSIONER GUIDELINE - SALES TAX: AUTO PARTS SUPPLY STORES

SALES TO SERVICE STATIONS, GARAGES AND AUTO DEALERS

Service stations, garages and auto dealers are major purchasers of auto parts. While many of their purchases are for resale, some are for final use and are subject to sales tax. Shown below are lists of items generally purchased for resale and items generally purchased for final use.

Resale

Repair Parts
Automobile Bulbs
Headlamp Units
Tires-Tubes
Batteries
Battery Cable
Oil
Antifreeze
Oil Additives
Gas Additives
Motor Tonics
Radiator Flush and Stop Leak
Tube Repair Kits
Windshield Scrapers
Chains
Bug Screens
Seat Covers-Cushions
Valve Stems and Cores
Wiper Blades and Arms
Mufflers and Clamps
Tailpipes
Tar Remover
Windshield Washer and Antifreeze
Tire Boots (for resale)
Tubeless Tire Repair Material (for resale)
Auto Wax and Cleaner
Chamois (for resale)
Bug Sponges (for resale)
Brooms and Mops (for resale)
Hand Tools (for resale)
Hand Gun Grease Cartridges
Wheel Bearing Grease (for resale)

Taxable

Hoists
Floor Jacks
Engine Analyzers
Timing Lights
Tire Change and Repair Equipment
Wheel Balancing Equipment
Car Wash Equipment
Car Wash Soap
Gas Pumps, Hoses, Nozzles
Air Equipment and Hoses
Greasing Equipment-Grease
Battery Charging Equipment
Radiator Testing Equipment
Vacuum Cleaners
Floor Oil and Grease Absorbents
Hand Cleaner
Office Equipment-Supplies
Bathroom Soap
Toilet Tissue
Paper Towels
Cleaning Rags
Brooms and Mops (for use)
Bug Sponges (for use)
Chamois (for use)
Tire Boots (for use)
Tubeless Tire Repair Materials (for use)
Handtools (for use)
Window Cleaner
Tire Gauges
Light Bulbs
Friction and Electric Tape
Wheel Bearing Grease (for use)

SALES TO BODY SHOPS

Like the businesses listed above, body shops also make some purchases for resale while other purchases are for their own use. Shown below are items generally purchased for resale and items generally purchased for final use.

	<u>Resale</u>	<u>Taxable</u>
Radiators	Shock Absorbers	Masking Tape
Grilles	Hub Caps	Masking Paper
Bumpers	Wheels	Sand Paper
Brackets	Tires	Sanding Discs
Fenders	Door Handles	Sanders
Hoods	Floor Mats	Paint Sprayers
Trunk Lids	Cigarette Lighters	Hand Tools
Doors	Paint	Equipment Parts
Trim	Thinner	Office Supplies
Windshields	Body Filler or Putty	Buffing Compounds
Window Glass	Body Lead	
Chassis Parts	Accessories	
Engine Parts	Sealer and Primer	
Head Lamps	Solder	
Bulbs	Motor Vehicle Wax	

RESALE CERTIFICATES

A certificate of resale relieves the supplier of the responsibility of collecting tax from the retailer from whom the certificate of resale was accepted. Suppliers selling to retailers (service stations, garages, auto dealers, and body shops) who have provided a valid certificate of resale are not expected to identify every sale for final use, but the obvious final use sales should be taxed. If a supplier makes a sale for resale and it is determined that such sale is not exempt, any tax and penalty due thereon will be collected from the buyer.

Certificates of resale should be obtained from retailers at least once a year unless the supplier believes that a particular sale is for final use. The supplier should then obtain a certificate of resale for that sale.

PURCHASES SUBJECT TO USE TAX

Items taken out of inventory for personal or business use are subject to North Dakota's use tax. Enter the cost of these items on line four of the Sales and Use Tax Return. *Examples:* Parts and tires removed from inventory for personal or company owned vehicles or tools removed from inventory for store or personal use are subject to use tax.

July 2005
(Reviewed January 2019)