



## GENERAL INFORMATION

Effective November 1998, the United States Government began a new credit card program that allows Federal government agencies an opportunity to enter into agreements for credit cards that will enable the purchase of goods and services by their employees. In many cases, the credit card is centrally billed. This means that the charge is billed directly to the Federal Government and paid directly by the Federal Government. A centrally billed credit card purchase is not subject to North Dakota sales tax. However, a situation where the Federal Government credit card is used for travel purposes may result in the charge being centrally billed or individually billed. An individually billed charge is billed to and paid by the Federal employee, and then reimbursed by the Federal Government. An individually billed charge is not exempt from North Dakota sales tax.

In the event the Federal Government employee is not sure of the billing type, centrally billed or individually billed, the employee should contact their agency for clarification before declaring this purchase or service to be exempt from tax. The Federal Government has, in some instances, made available information that enables the employee to determine the billing type; i.e., GSA SmartPay Program - "internet address" [http://www.gsa-smartpay.org/gsa\\_howidentify.html](http://www.gsa-smartpay.org/gsa_howidentify.html).

Questions about North Dakota sales tax or questions regarding the Certificate of Exemption may be directed to the Sales Tax Compliance Section, North Dakota Office of State Tax Commissioner, 600 E. Boulevard Ave., Dept. 127, Bismarck, ND 58505-0599 or calling 701-328-1246.