



STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
Ryan Rauschenberger, Commissioner

October 20, 2014

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

Dear Mr. Johnson:

This letter is in response to the 2014 preliminary report regarding North Dakota's compliance with the Streamlined Sales and Use Tax Agreement. The only comment on the report is a question asking if North Dakota has documented its application of the prepared food definition, which was amended by the Governing Board by a second vote on October 7, 2014.

This is not a compliance issue for 2014; however, to provide adequate guidance to all retailers, North Dakota will update two separate guidelines to clearly document we exclude from prepared food all food that requires heating by the purchaser. The guidelines to be updated are *Grocery Stores, Convenience Stores & Delicatessens* and *Restaurants*.

The Tax Commissioner's Office will also introduce legislation during the 2015 legislative session to adopt the new toggle in the prepared food definition recently authorized by the Governing Board.

If you have questions, please contact me.

Sincerely,

A handwritten signature in blue ink that reads "M. Vosberg".

Myles S. Vosberg
Director, Tax Administration
Office of State Tax Commissioner
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Enclosures