



**EARL R. POMEROY**  
COMMISSIONER OF INSURANCE

**State of North Dakota**  
**DEPARTMENT OF INSURANCE**

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**BULLETIN 91-3**

**TO:** ALL COMPANIES LICENSED TO SELL INSURANCE IN THE STATE  
OF NORTH DAKOTA

**FROM:** Earl R. Pomeroy, Commissioner

**DATE:** December 1991

**SUBJECT:** Required Form 99 Filing Related to Income Tax Exempt  
Organizations

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N.D.C.C. § 57-38-09 allows an exemption from the payment of corporate income tax for insurance companies which pay premium tax on the gross amount of premiums received in North Dakota. However, N.D.C.C. § 57-38-09.1 requires that organizations exempt from taxation must file Form 99 with the North Dakota Tax Commissioner. Form 99 contains information necessary to enable the Tax Commissioner to determine the exempt status of the organization. Filing of Form 99 is mandatory.

A copy of Form 99 is attached to this Bulletin and additional copies of same may be obtained from the **NORTH DAKOTA TAX DEPARTMENT - TELEPHONE (701) 224-2046.**

ERP/njb  
Attachment

# NORTH DAKOTA

## INFORMATION FROM ORGANIZATION EXEMPT FROM INCOME TAX

# 1990

FORM  
**99**

CHECK  Calendar Year January 1, 1990, to December 31, 1990.  
ONE:  Fiscal Year beginning \_\_\_\_\_, 1990, and ending \_\_\_\_\_, 1991.

Legal Name of Organization		Federal Employer Identification No.	
Mailing Address		Date of Incorporation	State of Incorporation
City, State, Zip Code	Phone	Date of Tax Exempt Notification From IRS	

### TAX EXEMPT STATUS

To qualify for exemption from State income tax, an organization must be in compliance with North Dakota Century Code Section 57-38-09 (set out in full on the back of this form). The following organizations are exempt from North Dakota income tax:

- \* An organization which is exempt from Federal income taxation, i.e. an organization which has received a tax exempt determination letter or tax exempt status ruling from the Internal Revenue Service. A tax exempt organization which has unrelated business taxable income must also complete and file North Dakota Corporation Income Tax Return, Form 40, at the same time the Federal Form 990-T is filed. (If an organization has not received notification of tax exempt status from the Internal Revenue Service, North Dakota Form 99 should not be used; North Dakota Corporation Income Tax Return, Form 40, must be filed pursuant to the instructions in the Form 40 tax booklet.)
- \* An insurance company which is subject to a State tax upon the gross amount of premiums received in this State. An insurance company which has unrelated business taxable income must also complete and file North Dakota Corporation Income Tax Return, Form 40.

### INSTRUCTIONS

An organization which is exempt from State income tax should complete North Dakota Form 99 as follows:

- \* Complete the information requested at the top of this form, including the date tax exempt status was granted by the Internal Revenue Service.
- \* Complete the Tax Exempt Statement below.
- \* Complete the signature and verification section at the bottom of this form.
- \* Attach a completed copy of the appropriate Federal Form(s) filed with the Internal Revenue Service.
- \* Mail completed form(s) to Office of State Tax Commissioner, State Capitol, 600 East Boulevard Avenue, Bismarck, North Dakota 58505-0599, on the date set out in NDCC Section 57-38-09.1 on the back of this form.

#### Tax Exempt Statement:

The above named organization hereby claims exemption from taxation under the North Dakota State income tax law, NDCC Section 57-38-09, as a \_\_\_\_\_ pursuant to Section 501-\_\_\_\_\_ of the Internal Revenue Code.

### SIGNATURE AND VERIFICATION

I declare under the penalties of NDCC Section 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return.

Date	Signature of Officer	Title
Date	Signature of Preparer	Address

DO NOT WRITE IN THIS SPACE

**INCOME TAX SECTIONS 57-38-09 AND 57-38-09.1 OF THE  
NORTH DAKOTA CENTURY CODE**

**57-38-09. Exempt organizations.**

1. A person or organization exempt from federal income taxation under the provisions of the Internal Revenue Code of 1986, as amended, shall also be exempt from the tax imposed by this chapter in each year such person or organization satisfies the requirements of the Internal Revenue Code of 1986, as amended, for exemption from federal income taxation. If the exemption applicable to any person or organization under the provisions of the Internal Revenue Code of 1986, as amended, is limited or qualified in any manner, the exemption from taxes imposed by this section shall be limited or qualified in a similar manner.
2. Notwithstanding the provisions of subsection 1, the unrelated business taxable income, as computed under the provisions of the Internal Revenue Code of 1986, as amended, of any person or organization otherwise exempt from the tax imposed by this chapter and subject to the tax imposed on unrelated business income by the Internal Revenue Code of 1986, as amended, shall be subject to the tax which would have been imposed by this chapter but for the provisions of subsection 1.
3. In addition to the persons or organizations exempt from federal income taxation under the provisions of the Internal Revenue Code of 1986, as amended, there shall also be exempt from the tax imposed by this chapter insurance companies doing business in the state and paying a tax upon the gross amount of premiums received in the state.

**57-38-09.1. Organizations exempt from income tax – File return.**

Any organization exempt from taxation pursuant to section 57-38-09 must file a return with the tax commissioner in such form and manner as may be prescribed by the tax commissioner containing such information as is necessary to enable him to determine the exempt status of the organization. Returns made on the basis of the calendar year shall be filed on or before the fifteenth day of May following the close of the calendar year and returns made on the basis of a fiscal year shall be filed on or before the fifteenth day of the fifth month following the close of the fiscal year. The return shall be signed by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other officer duly authorized so to act and it and any other declaration, statement, or document required to be made shall contain or be verified by a written declaration that it is made under the penalties of perjury.

**Sales and Use Tax Reminder**

Organizations which are exempt from State and Federal income tax are not automatically exempt from North Dakota and local sales and use tax.

NDCC Chapter 57-39.2 (Sales Tax) and Chapter 57-40.2 (Use Tax) provide exemptions from sales and use tax for some organizations, including: Federal, State, and local governments; State and private nonprofit schools; hospitals, skilled nursing facilities, intermediate care facilities, and basic care facilities licensed by the North Dakota Department of Health and Consolidated Laboratories; and nonprofit voluntary health associations which are members of the National Health Council. **Virtually all other nonprofit organizations must pay sales or use tax on purchases for their own use.** Examples of organizations which are subject to sales and use tax are social and service clubs, churches and church groups, recreation groups, youth groups, professional associations, and veterans organizations.

Qualifying organizations may obtain a Certificate of Exemption from sales and use tax from the Office of State Tax Commissioner. Applications for an exemption certificate may be obtained by writing to the Office of State Tax Commissioner, Sales and Special Taxes Division, 600 East Boulevard Avenue, Bismarck, ND 58505-0599, or by telephoning 701-224-3470.