



# NORTH DAKOTA OFFICE OF STATE TAX COMMISSIONER GUIDELINE - SALES TAX: VETERINARIANS

## VETERINARIANS RENDER SERVICE

Veterinarians are in the business of rendering professional services to owners of animals through care, medication and treatment of the animals. These services are not subject to sales tax. The dressings, bandages and other items used in the course of providing these services are taxable to the veterinarian unless they are exempt by statute, such as drugs or inoculants for livestock or poultry. Veterinarians should not charge their customers sales tax on the price of any of the items used and consumed in the course of rendering such service.

The following items, when administered by a veterinarian or when administered under a veterinarian's direction or supervision either directly or indirectly, are not sold at retail by the veterinarian. These and like items are used by the veterinarian in the course of rendering service and are taxable (when applicable) to the veterinarian, not to the customer.

<b>Taxable</b>	<b>Exempt</b>
Wound dressings	Livestock & poultry feed
Horn paint	Drugs (nonpet)
Bandages	Serum (nonpet)
Pet food	Wormer (nonpet)
Pet drugs	Tonic (nonpet)
Pet serum	Medicine (nonpet)
Pet wormer	Cattle oil
Pet tonic	Cattle spray

Drugs used and consumed by a veterinarian for livestock and poultry or sold to a farmer or rancher for livestock and poultry are exempt from sales tax. The veterinarian should not pay the supplier sales tax on purchases of such drugs and should not charge sales tax on the sale of any such drugs when sold to a farmer or rancher.

## TAXABLE RETAIL SALES

Some veterinarians make retail sales and must collect sales tax on these sales. The items listed in the taxable list shown on the next page are taxable to the veterinarian's customer if the items are sold at retail, not administered either directly or indirectly by the veterinarian.

Sales of any pet food or pet supplies to anyone, including farmers and kennels, are taxable (except sales for resale) regardless whether or not the food is for animals kept as pets. The following list of taxable items includes examples only and is not intended to be all inclusive.

**Taxable**

Dog food  
Cat food  
Fish food  
Bird seed  
Turtle food  
Pet wormers

Pet tonics  
Pet collars  
Pet soap - shampoo  
I.D. tags  
Grooming supplies  
Training devices

**Nontaxable**

Horse food  
Rabbit food

## KENNEL AND BOARDING SERVICES

Kennel and boarding services are exempt from sales tax. Charges for training services and stud services also are exempt. Kennel operators must pay tax on food, pet medication, bedding and equipment used in the course of the kennel business.

## PET GROOMING SERVICES

Shampooing, clipping, trimming, nail cutting and other grooming services are not taxable. Pet groomers, including veterinarians, must pay tax on items such as shampoos, soaps, brushes and flea powders that are used to provide these services.

## PURCHASING

Because drugs for livestock or poultry are exempt from sales tax, whether sold to a veterinarian for final use or to a farmer, all such drugs purchased by a veterinarian may be purchased without payment of sales tax.

If a veterinarian prefers to purchase all supplies and materials without payment of sales tax, the veterinarian may do so on the theory of resale by submitting a resale certificate to the supplier. If this method is used, the veterinarian must remit use tax to the Tax Department on the portion of the purchases that are not sold at retail and that are not for livestock or poultry. The veterinarian also is obligated to collect and remit sales tax on all taxable retail sales.