

## Public Ruling

### Navajo Sales Tax

#### Classification of Activities

A ruling has been requested regarding how certain activities should be classified on the Sales Tax Return Form 600. Specifically, the question has arisen as to how to classify the retail sale of goods when the vendor has no retail location within the Navajo Nation but rather makes delivery of goods to a buyer who is located within the Nation.

These sales should be classified as H – Other. They are not to be classified as A – Retail. Classification A on the Form 600 is only to be used when the sale is made at a retail location operated by the vendor and physically located within the Navajo Nation.

*Example:*

Smith Office Supply is located in Gallup, New Mexico, outside the Navajo Nation. Smith delivers office products to customers within the Navajo Nation from its Gallup location; Smith has no stores within the Navajo Nation. Smith should classify its gross receipts as being under H – Other. If Smith ever opens a store within the Navajo Nation, the gross receipts from sales at that store will be classified as A – Retail.

This ruling expires on December 31, 2012, unless previously withdrawn by the Office of the Navajo Tax Commission or superseded or rendered invalid by a change in statute or regulation.

If you have any questions, please contact the Office of the Navajo Tax Commission at (928) 871-7113.

Issued this 19th day of August, 2002

***Signed by R. C. Etcitty, Jr., on 08/19/02***

Raymond C. Etcitty, Jr., Executive Director  
Office of the Navajo Tax Commission