

## **Public Ruling**

### **Navajo Sales Tax**

#### **Sales within and outside the Navajo Nation**

A ruling has been requested regarding the application of the Navajo Sales Tax to sales that occur within the Navajo Nation and sales that occur outside the Navajo Nation.

The Sales Tax applies to all gross receipts received for sales of goods and services when the sale is made within the Navajo Nation. The only relevant issue regarding the sale of goods is where the sale is made. The tax does not apply to sales of goods when the sale takes place outside the Navajo Nation. This is true even when the product will be brought into or used in the Nation.

Obviously, by the same token, the tax does apply to sales of goods when the sale occurs within the Navajo Nation but the goods will be taken or used outside the Nation.

When delivery takes place within the Navajo Nation, the presumption will be that the sale occurred within the Nation, and the taxpayer challenging such presumption will have the burden of proving that the sale occurred outside the Navajo Nation.

This ruling expires on December 31, 2012, unless previously withdrawn by the Office of the Navajo Tax Commission or superseded or rendered invalid by a change in statute or regulation.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 13th day of May, 2002

***Signed by R. C. Etcitty, Jr., on 05/13/02***

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