
Uniform Statute/Regulation, Sales and Use Tax Priority— Construction Inventory

When a construction contractor has purchased building materials in another state that are

- a) resold in this state, or
- b) manufactured into other building components that are
 - 1. resold in this state; or
 - 2. installed into a construction project in this state; or
 - 3. that are placed in inventory and then withdrawn

for one of the uses enumerated in subsection (a) and (b)(1) or (b)(2), a credit against sales or use tax paid to this state up to the amount of tax paid shall be allowed as follows:

- a. for sales tax properly paid upon the initial purchase of the building materials in the other state;
- b. for use tax properly paid upon the withdrawal of the building materials from inventory in the other state.