

Sixty-third
Legislative Assembly
of North Dakota

REENGROSSED HOUSE BILL NO. 1198

Introduced by

Representatives Headland, Brandenburg, Pollert

Senator Wanzek

1 A BILL for an Act to create and enact section 57-20-07.2 of the North Dakota Century Code,
2 relating to a state-paid property tax relief credit; to amend and reenact sections 57-20-07.1,
3 57-20-09, and 57-20-21.1 of the North Dakota Century Code, relating to property tax statement
4 information to identify legislative property tax relief for the subject property, priority for
5 delinquent taxes, and the discount for early payment of property taxes; to provide an
6 appropriation; and to provide an effective date.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1. AMENDMENT.** Section 57-20-07.1 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **57-20-07.1. County treasurer to mail real estate tax statement - Contents of statement.**

11 On or before December twenty-sixth of each year, the county treasurer shall mail a real
12 estate tax statement to the owner of each parcel of real property at the owner's last-known
13 address. The statement must be provided in a manner that allows the taxpayer to retain a
14 printed record of the obligation for payment of taxes and special assessments as provided in
15 the statement. If a parcel of real property is owned by more than one individual, the county
16 treasurer shall send only one statement to one of the owners of that property. Additional copies
17 of the tax statement will be sent to the other owners upon their request and the furnishing of
18 their names and addresses to the county treasurer. The tax statement must include:

19 1. Include a dollar valuation of the true and full value as defined by law of the property
20 and the total mill levy applicable. ~~The tax statement must include~~

21 2. Include, or be accompanied by a separate sheet, with three columns showing, for the
22 taxable year to which the tax statement applies and the two immediately preceding
23 taxable years, the property tax levy in dollars against the parcel by the county and
24 school district and any city or township that levied taxes against the parcel.

1 3. Include, for the taxable year to which the tax statement applies and the two
2 immediately preceding taxable years, a line item identified as "legislative property tax
3 relief" showing the amount in dollars paid through legislative appropriation pursuant to
4 section 57-20-07.2 and chapter 57-64 or 15.1-27 against the property taxes levied
5 against the property.

6 Failure of an owner to receive a statement will not relieve that owner of liability, nor extend the
7 discount privilege past the February fifteenth deadline.

8 **SECTION 2.** Section 57-20-07.2 of the North Dakota Century Code is created and enacted
9 as follows:

10 **57-20-07.2. State-paid property tax relief credit.**

11 1. The owner of taxable property is entitled to a credit against property taxes levied
12 against the total amount of property or mobile home taxes in dollars levied against the
13 taxable value of the property. The credit is equal to eight and one-half percent of
14 property or mobile home taxes levied in dollars against that property.

15 2. The owner, operator, or lessee of railroad property assessed by the state board of
16 equalization under chapter 57-05 or public utility operative property assessed by the
17 state board of equalization under chapter 57-06 is entitled to a credit against property
18 taxes levied within each county against that property in the amount provided in
19 subsection 1 against property taxes levied in dollars against that property in that
20 county.

21 3. The owner, operator, or lessee of operative property of an air carrier transportation
22 company assessed and taxed under chapter 57-32 is entitled to a credit in the amount
23 provided in subsection 1 against property taxes in dollars levied against that property.
24 The tax commissioner shall determine the total amount of credits under this
25 subsection and certify the amount to the state treasurer for transfer from the general
26 fund to the air transportation fund. The credit for each air transportation company must
27 be allocated to each city or municipal airport authority where that company makes
28 regularly scheduled landings, in the same manner as the tax collected from that
29 company is allocated.

30 4. The tax commissioner shall determine the total amount of credits under this section for
31 each county from the abstract of the tax list filed by the county auditor under section

1 57-20-04, as audited and corrected by the tax commissioner. The tax commissioner
2 shall certify to the state treasurer for payment, by June first following receipt of the
3 abstract of the tax list, the amount determined for each county under this subsection.

4 No penalty or interest applies to any state payment under this section, regardless of
5 when the payment is made.

6 5. Upon receipt of the payment from the state treasurer under subsection 4, the county
7 treasurer shall apportion and distribute it to the county and the taxing districts in the
8 county on the basis on which the general real estate tax for the preceding year is
9 apportioned and distributed.

10 6. After payments to counties under subsection 4 have been made, the tax commissioner
11 shall certify to the state treasurer as necessary any supplemental amounts payable to
12 counties or the air transportation fund or any amounts that must be returned by
13 counties or returned from the air transportation fund for deposit in the state general
14 fund to correct any errors in payments or reflect any abatement or compromise of
15 taxes, court-ordered tax reduction or increase, or levy of taxes against omitted
16 property. The county auditor shall provide any supplemental information requested by
17 the tax commissioner after submission of the abstract of the tax list. The county
18 treasurer shall apply to the tax commissioner for any supplemental payments to which
19 the county treasurer believes the county is entitled.

20 7. Notwithstanding any other provision of law, for any property other than mobile homes,
21 the property tax credit under this section does not apply to any property subject to
22 payments or taxes that are stated by law to be in lieu of personal or real property
23 taxes.

24 **SECTION 3. AMENDMENT.** Section 57-20-09 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **57-20-09. Discount for early payment of tax.**

27 Except as provided in section 57-20-21.1, the county treasurer shall allow a five percent
28 discount to all taxpayers who shall pay all of the real estate taxes levied on any tract or parcel of
29 real property in any one year in full on or before February fifteenth prior to the date of
30 delinquency. Such discount applies, after deduction of any credit allowed under section
31 57-20-07.2, to the net remaining amount of all general real estate taxes levied for state, county,

1 city, township, school district, fire district, park district, and any other taxing districts but does not
2 apply to personal property taxes or special assessment installments. Whenever the board of
3 county commissioners, by resolution, determines that an emergency exists in the county by
4 virtue of weather or other catastrophe, it may extend the discount period for an additional thirty
5 days.

6 **SECTION 4. AMENDMENT.** Section 57-20-21.1 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **57-20-21.1. Priority for delinquent taxes.**

9 When payment is made for any real or personal property taxes or special assessments,
10 payments must be applied first to the oldest unpaid delinquent taxes or special assessments
11 due, if any, shown to exist upon the property for which the tax payments are made, including
12 any penalty and interest, except payments of state-paid property tax relief credit made by the
13 state must be applied to taxes for the year for which the state-paid property tax relief credit is
14 granted. The discounts applicable to payment of taxes set out in section 57-20-09 do not apply
15 to payment of taxes made on property upon which tax payments are delinquent.

16 **SECTION 5. APPROPRIATION.** There is appropriated out of any moneys in the general
17 fund in the state treasury, not otherwise appropriated, the sum of \$147,600,000, or so much of
18 the sum as may be necessary, to the state treasurer for the purpose of state-paid property tax
19 relief credits under section 57-20-07.2, for the biennium beginning July 1, 2013, and ending
20 June 30, 2015.

21 **SECTION 6. EFFECTIVE DATE.** This Act becomes effective July 1, 2013.