

**FIRST ENGROSSMENT  
with House Amendments  
ENGROSSED SENATE BILL NO. 2113**

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

1 A BILL for an Act to amend and reenact section 57-02-08.8 of the North Dakota Century Code,  
2 relating to the property tax credit for disabled veterans and extension of the disabled veterans'  
3 property tax credit to the disabled veteran's surviving spouse; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-02-08.8 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **57-02-08.8. Property tax credit for disabled veterans - Certification - Distribution.**

- 8 1. A disabled veteran of the United States armed forces with an armed forces  
9 service-connected disability of fifty percent or greater or a disabled veteran who has  
10 an extra-schedular rating to include individual unemployability that brings the veteran's  
11 total disability rating to one hundred percent as determined by the department of  
12 veterans' affairs, who was discharged under honorable conditions or who has been  
13 retired from the armed forces of the United States, or the unremarried surviving  
14 spouse if the disabled veteran is deceased, is eligible for a credit applied against the  
15 first six thousand seven hundred fifty dollars of taxable valuation ~~of the fixtures,~~  
16 ~~buildings, and improvements~~ of the homestead owned and occupied by the disabled  
17 veteran or unremarried surviving spouse equal to the percentage of the disabled  
18 veteran's disability compensation rating for service-connected disabilities as certified  
19 by the department of veterans' affairs for the purpose of applying for a property tax  
20 ~~exemption~~ credit. An unremarried surviving spouse who is receiving department of  
21 veterans' affairs dependency and indemnity compensation receives a one hundred  
22 percent ~~exemption~~ credit as described in this subsection.
- 23 2. If two disabled veterans are married to each other and living together, their combined  
24 credits may not exceed one hundred percent of six thousand seven hundred fifty

1 dollars of taxable valuation of the fixtures, buildings, and improvements of the  
2 homestead. If a disabled veteran co-owns the homestead property with someone  
3 other than the disabled veteran's spouse, the credit is limited to that disabled veteran's  
4 interest in the fixtures, buildings, and improvements of the homestead, to a maximum  
5 amount calculated by multiplying six thousand seven hundred fifty dollars of taxable  
6 valuation by the disabled veteran's percentage of interest in the homestead property  
7 and multiplying the result by the applicant's certified disability percentage.

8 3. A disabled veteran or unremarried surviving spouse claiming a credit under this  
9 section for the first time shall file with the county auditor an affidavit showing the facts  
10 herein required, a description of the property, and a certificate from the United States  
11 department of veterans' affairs, or its successor, certifying to the amount of the  
12 disability. The affidavit and certificate must be open for public inspection. A person  
13 shall thereafter furnish to the assessor or other assessment officials, when requested  
14 to do so, any information which is believed will support the claim for credit for any  
15 subsequent year.

16 4. For purposes of this section, and except as otherwise provided in this section,  
17 "homestead" has the meaning provided in section 47-18-01 except that it also applies  
18 to a person who otherwise qualifies under the provisions of this section whether the  
19 person is the head of the family.

20 5. This section does not reduce the liability of a person for special assessments levied  
21 upon property.

22 6. A credit under this section terminates at the end of the taxable year of the death of the  
23 applicant.

24 7. The board of county commissioners may cancel the portion of unpaid taxes that  
25 represents the credit calculated in accordance with this section for any year in which  
26 the qualifying owner has held title to the homestead property. Cancellation of taxes for  
27 any year before enactment of this section must be based on the law that was in effect  
28 for that tax year.

29 7.8. Before the first of March of each year, the county auditor of each county shall certify to  
30 the tax commissioner on forms prescribed by the tax commissioner the name and  
31 address of each person for whom the property tax credit for homesteads of disabled

1 veterans was allowed for the preceding year, the amount of credit allowed, the total of  
2 the tax mill rates of all taxing districts, exclusive of any state mill rates, that was  
3 applied to other real estate in the taxing districts for the preceding year, and such other  
4 information as may be prescribed by the tax commissioner.

5 ~~8-9.~~ On or before the first of June of each year, the tax commissioner shall audit the  
6 certifications, make the required corrections, and certify to the state treasurer for  
7 payment to each county the sum of the amounts computed by multiplying the credit  
8 allowed for each homestead of a disabled veteran in the county by the total of the tax  
9 mill rates, exclusive of any state mill rates that were applied to other real estate in the  
10 taxing districts for the preceding year.

11 ~~9-10.~~ The county treasurer upon receipt of the payment from the state treasurer shall  
12 apportion and distribute the payment without delay to the county and to the local  
13 taxing districts of the county on the basis on which the general real estate tax for the  
14 preceding year is apportioned and distributed.

15 ~~10-11.~~ On or before the first day of June of each year, the tax commissioner shall certify to  
16 the state treasurer the amount computed by multiplying the property tax credit allowed  
17 under this section for homesteads of disabled veterans in the state for the preceding  
18 year by one mill for deposit in the state medical center fund.

19 ~~11-12.~~ Supplemental certifications by the county auditor and by the tax commissioner and  
20 supplemental payments by the state treasurer may be made after the dates prescribed  
21 in this section to make such corrections as may be necessary because of errors or  
22 because of approval of an application for abatement filed by a person because the  
23 credit provided for the homestead of a disabled veteran was not allowed in whole or in  
24 part.

25 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
26 December 31, 2014.