

Introduced by

Representatives K. Koppelman, Bellew, Fisher, Hagert, Kading, Karls, Schauer, Toman

Senators Clemens, Kannianen

1 A BILL for an Act to amend and reenact subsection 9 of section 57-02-08 of the North Dakota
2 Century Code, relating to a property tax exemption for property of churches; and to provide an
3 effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 9 of section 57-02-08 of the North Dakota Century
6 Code is amended and reenacted as follows:

7 9. a. ~~All buildings~~The land and any buildings on a parcel on which a church building is
8 located, and which is owned by any religious corporation or organization and
9 used ~~primarily~~predominantly for the religious purposes of the organization, and if
10 on the same parcel, dwellings with usual outbuildings, intended and ordinarily
11 used for the residence of the bishop, priest, rector, or other minister in charge of
12 services, land directly under and within the perimeter of those buildings,
13 improved off-street parking or reasonable landscaping or sidewalk area adjoining
14 the main church building, and up to a maximum of five additional acres [2.02-
15 hectares] must be deemed to be property used exclusively for religious purposes,
16 and exempt from taxation, ~~whether the real property consists of one tract or~~
17 ~~more.~~ The land and any buildings on a parcel contiguous to the parcel on which a
18 church building is located, which is owned by a religious corporation or
19 organization, is exempt from taxation if any building located on the parcel is used
20 primarilypredominantly for religious purposes.

21 b. If the ~~parsonage and~~ residence of the bishop, priest, rector, ~~or other minister, or~~
22 ~~other clergy in charge of services~~ is located on property owned by the religious
23 corporation or organization, which is not adjacent to the church, that residence,
24 with usual outbuildings and land on which it is located, up to two acres

1 [.81 hectare], must be deemed to be property used exclusively for religious
2 purposes and is exempt from taxation.

3 **b-c.** Up to ~~twenty-five~~twenty acres of undeveloped land owned by a religious
4 corporation or organization for the purpose of a future church building or
5 buildings is exempt from taxation. This exemption expires ten years after the
6 taxable year in which the property was acquired by the religious corporation or
7 organization if construction improvements to accommodate a church building
8 have not commenced.

9 **d.** The exemption for a building used for the religious purposes of the owner
10 continues to be in effect if the building in whole, or in part, is rented to another
11 otherwise tax-exempt corporation or organization, provided no profit is realized
12 from the rent.

13 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
14 December 31, 2020.