

Fifty-fifth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1289

Introduced by

Representatives Brown, Gulleson, Nichols, Tollefson

Senator Urlacher

1 A BILL for an Act to amend and reenact subsections 2 and 8 of section 57-02-08 of the North
2 Dakota Century Code, relating to property tax exemptions for property of the state and
3 institutions of public charity; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Subsections 2 and 8 of section 57-02-08 of the 1995
6 Supplement to the North Dakota Century Code are amended and reenacted as follows:

7 2. All property owned by this state, but no lands contracted to be sold by the state
8 shall be exempt. The exemption under this subsection does not apply to property
9 acquired, constructed, or improved by the state after June 30, 1997, unless the
10 exemption is specifically approved by the governing body of the city, if the property
11 is located within a city, or by the governing body of the county in which the
12 property is located, if the property is located outside city limits. If the exemption
13 under this subsection is not approved, the agency or institution that holds title to
14 the property shall make payments in lieu of taxes on the property in the manner
15 provided in chapter 57-02.1, except the agency or institution is responsible for the
16 duties of the game and fish department under that chapter and the head of the
17 agency or institution is responsible for the duties of the director of the game and
18 fish department under that chapter. For purposes of this subsection:

19 a. "Acquired" means the purchase of property that was subject to ad valorem
20 taxes immediately preceding the purchase.
21 b. "Constructed" or "improved" means construction of a new structure or
22 addition to an existing structure or improvement of an existing structure if the
23 construction or improvement has a total cost of fifty thousand dollars or more.

- 1 8. All buildings belonging to institutions of public charity, including public hospitals
2 and nursing homes licensed pursuant to section 23-16-01 under the control of
3 religious or charitable institutions, used wholly or in part for public charity, together
4 with the land actually occupied by such institutions not leased or otherwise used
5 with a view to profit, and this includes any dormitory, dwelling, or residential-type
6 structure, together with necessary land on which such structure is located, owned
7 by a religious or charitable organization recognized as tax exempt under section
8 501(c)(3) of the United States Internal Revenue Code which is occupied by
9 members of said organization who are subject to a religious vow of poverty and
10 devote and donate substantially all of their time to the religious or charitable
11 activities of the owner. The exemption under this subsection does not apply to any
12 property acquired, constructed, or improved by an institution of public charity after
13 June 30, 1997, unless the exemption under this subsection is specifically approved
14 by the governing body of the city, if the property is located within city limits, or by
15 the governing body of the county in which the property is located, if the property is
16 located outside city limits. For purposes of this subsection:
17 a. "Acquired" means the purchase of property that was subject to ad valorem
18 taxes immediately preceding the purchase.
19 b. "Constructed" or "improved" means construction of a new structure or
20 addition to an existing structure or improvement of an existing structure if the
21 construction or improvement has a total cost of fifty thousand dollars or more.

22 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
23 December 31, 1996.