

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2243

Introduced by

Senators Cook, Urlacher, Wardner

Representatives Drovdal, Porter, Williams

1 A BILL for an Act to amend and reenact section 57-01-05 of the North Dakota Century Code,
2 relating to an annual audit of property tax assessments and property tax exemption decisions;
3 and to provide an appropriation.

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

5 **SECTION 1. AMENDMENT.** Section 57-01-05 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-01-05. State supervisor of assessments.** The state tax commissioner shall
8 appoint a supervisor of assessments who must be a person trained and experienced in
9 property appraisals and familiar with assessment and equalization procedures and techniques.
10 The supervisor of assessments serves at the pleasure of the state tax commissioner and office
11 space must be furnished to the supervisor of assessments by the commissioner.

12 The supervisor of assessments shall perform the following duties under the direction of
13 the tax commissioner:

- 14 1. The supervisor of assessments shall advise and give the various assessors in the
15 state the necessary instructions and directions as to their duties under the laws of
16 this state, to the end that a uniform assessment of all real and personal property in
17 this state will be attained.
- 18 2. The supervisor of assessments shall assist and instruct the various assessors in
19 this state in the use of soil reconnaissance surveys, land classification methods, in
20 the preparation and proper use of land maps and record cards, in the proper
21 classification of real and personal property, and in the determination of proper
22 standards of value.

- 1 3. The supervisor of assessments may require the attendance of groups of assessors
2 at meetings called by the supervisor of assessments for the purpose of giving them
3 further assistance and instruction as to their duties.
- 4 4. The supervisor of assessments may make sales, market, and productivity studies
5 and other studies of property assessments in the various counties and cities of this
6 state for the purpose of properly advising the various assessors and directors of
7 tax equalization in the state and for the purpose of recommending to the tax
8 commissioner changes to be made by the state board of equalization in the
9 performance of the equalization powers and duties prescribed for it by section
10 57-13-04. In any sales, market, and productivity study made according to section
11 57-01-06, the county directors of tax equalization or city assessors, as the case
12 may be, are responsible for compiling a record of sales of property made in the
13 county or city, and in conjunction with the county commissioners shall analyze the
14 sales for the purpose of advising the state supervisors of assessments as to the
15 value of using the sales in any such study. The compilations must be forwarded to
16 the state supervisor of assessments with the findings of the county director of tax
17 equalization, city assessors, and the board of county commissioners. In any
18 county or city or any part thereof where the number of sales of properties is
19 insufficient for making a sales, market, and productivity study, the county director
20 of tax equalization or city assessor, as the case may be, in cooperation with the
21 state supervisor of assessments or that person's assistants shall make appraisals
22 of properties in order to determine the market value.
- 23 5. The supervisor of assessments shall cooperate with North Dakota state university
24 in the development of a soil mapping program, a land classification system,
25 valuation studies, and other matters relating to the assessment of property and
26 shall provide for the use of such information and procedure at the earliest possible
27 date by the assessors of this state.
- 28 6. The supervisor of assessments has general supervision of assessors and county
29 directors of tax equalization pertaining to methods and procedures of assessment
30 of all property and has authority to require all county directors of tax equalization to
31 do any act necessary to obtain uniform methods and procedures of assessment.

1 7. Within the limits of legislative appropriations, the supervisor of assessments shall
2 cause an annual random audit to be performed of property assessments statewide
3 in each classification of property under section 57-02-27 and of property tax
4 exemptions allowed or denied under subsection 15 of section 57-02-08 and of
5 valuations under section 57-02-14 of real property exempt from taxation. Audits
6 must focus on assessment and equalization decisions, accuracy, uniformity, and
7 compliance with state law and directives and advice of the state supervisor of
8 assessments. The state supervisor of assessments shall prepare results, findings,
9 and recommendations of annual audits conducted under this subsection for
10 presentation to the state board of equalization and to a committee designated by
11 the legislative council.

12 8. The supervisor of assessments shall perform such other duties relating to
13 assessment and taxation of property as the tax commissioner directs.

14 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the
15 general fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much
16 of the sum as may be necessary, to the tax commissioner for the purpose of random property
17 tax audits as directed by the supervisor of assessments under section 57-01-05, for the
18 biennium beginning July 1, 2005, and ending June 30, 2007.