Fifty-ninth Legislative Assembly of North Dakota

SENATE BILL NO. 2272

Introduced by

Senators Erbele, Klein, Taylor

Representatives Brandenburg, Froelich, Kempenich

1 A BILL for an Act to amend and reenact subsection 1 of section 57-02-01 of the North Dakota

2 Century Code, relating to the definition of agricultural property for property tax assessment and

3 classification purposes; and to provide an effective date.

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

5 SECTION 1. AMENDMENT. Subsection 1 of section 57-02-01 of the North Dakota
6 Century Code is amended and reenacted as follows:

- 7 1. "Agricultural property" means platted or unplatted lands used primarily for raising 8 agricultural crops or grazing farm animals, except lands platted and assessed as 9 agricultural property prior to March 30, 1981, shall continue to be assessed as 10 agricultural property until put to a use other than raising agricultural crops or 11 grazing farm animals. The time limitations contained in this section may not be 12 construed to prevent property that was assessed as other than agricultural property 13 from being assessed as agricultural property if the property otherwise qualifies 14 under this subsection.
- 15 <u>a.</u> Property platted on or after March 30, 1981, is not agricultural property when
 any four of the following conditions exist:
- 17 $\frac{a}{a}$ (1) The land is platted by the owner.
- 18 b. (2) Public improvements including sewer, water, or streets are in place.
- 19e. (3)Topsoil is removed or topography is disturbed to the extent that the20property cannot be used to raise crops or graze farm animals.
- 21 d. (4) Property is zoned other than agricultural.
- 22e. (5)Property has assumed an urban atmosphere because of adjacent23residential or commercial development on three or more sides.

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1		f.	<u>(6)</u>	The parcel is less than ten acres [4.05 hectares] and not contiguous to	
2				agricultural property.	
3		g.	<u>(7)</u>	The property sells for more than four times the county average true and	
4				full agricultural value.	
5		<u>b.</u>	Other than property acquired by a nonprofit organization in compliance with		
6			<u>secti</u>	on 10-06.1-10, property is not agricultural property and must be	
7		considered to be for recreational use and assessed as commercial property if:			
8			<u>(1)</u>	For property that is not enrolled in the conservation reserve program,	
9				the property was not primarily used for raising agricultural crops or	
10				grazing farm animals in at least one of the three consecutive preceding	
11				taxable years, excluding consideration of years in which natural disaster	
12				prevented such usage; or	
13			<u>(2)</u>	For property that is enrolled in the conservation reserve program, the	
14				owner does not qualify as a farmer as defined in subdivision b of	
15				subsection 15 of section 57-02-08.	
16	SECTION 2. EFFECTIVE DATE. This Act is effective for taxable years beginning after				
17	December 31, 2004, and applies retroactively for purposes of consideration of property sales				
18	occurring after December 31, 1994.				