

Sixty-first  
Legislative Assembly  
of North Dakota

Introduced by

1 A BILL for an Act to create and enact a new section to chapter 57-02 of the North Dakota  
2 Century Code, relating to valuation of property eligible for the federal low income housing tax  
3 credit program; and to provide an effective date.

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

5 **SECTION 1.** A new section to chapter 57-02 of the North Dakota Century Code is  
6 created and enacted as follows:

7 **Valuation of low income housing tax credit properties.** In assessing property that is  
8 eligible for the low income housing tax credit under section 42 of the Internal Revenue Code [26  
9 U.S.A. 42], the assessor shall consider the productive and earning capacity of the property from  
10 the actual rents received by the property owner, including the extent to which the use of the  
11 property for low income housing reduces the market value of the property. For the purposes of  
12 determining the true and full value of the property under this section, any low income housing  
13 tax credits earned by the property owner must be considered income from the property. The  
14 property owner shall, upon request, provide income information to the assessor. If the use of  
15 the property no longer complies with the requirements of section 42 of the Internal Revenue  
16 Code [26 U.S.C. 42], or if the property owner fails to provide the information requested by the  
17 assessor, the assessor may use the best information available to determine the value of the  
18 property and may apply generally accepted valuation methods used for valuation and  
19 assessment of rental property.

20 **SECTION 2. EFFECTIVE DATE.** The Act is effective tax years beginning after  
21 December 31, 2008.