

Sixty-first  
Legislative Assembly  
of North Dakota

**SENATE BILL NO.**

Introduced by

Senator O'Connell

1 A BILL for an Act to amend and reenact paragraph 2 of subdivision b of subsection 15 of  
2 section 57-02-08 of the North Dakota Century Code, relating to continuation of the farm  
3 residence exemption for the surviving spouse of a deceased farmer; and to provide an effective  
4 date.

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

6 **SECTION 1. AMENDMENT.** Paragraph 2 of subdivision b of subsection 15 of section  
7 57-02-08 of the North Dakota Century Code is amended and reenacted as follows:

8 (2) "Farmer" means an individual who normally devotes the major portion  
9 of time to the activities of producing products of the soil, poultry,  
10 livestock, or dairy farming in such products' unmanufactured state and  
11 has received annual net income from farming activities which is fifty  
12 percent or more of annual net income, including net income of a spouse  
13 if married, during any of the three preceding calendar years. ~~"Farmer"~~  
14 For purposes of this paragraph, "farmer" includes a "retired farmer" who  
15 ~~is retired because of illness or age and who at the time of retirement~~  
16 ~~owned and occupied as a farmer the residence in which the person~~  
17 ~~lives and for which the exemption is claimed. "Farmer" includes a~~  
18 ~~"beginning:~~

19 (a) "Beginning farmer" who has begun occupancy and operation of a  
20 farm within the three preceding calendar years; who normally  
21 devotes the major portion of time to the activities of producing  
22 products of the soil, poultry, livestock, or dairy farming in such  
23 products' unmanufactured state; and who does not have a history

of farm income from farm operation for each of the three  
preceding calendar years.

(b) "Retired farmer" means an individual who is retired because of  
illness or age and who at the time of retirement owned and  
occupied as a farmer the residence in which the person lives and  
for which the exemption is claimed.

(c) "Surviving spouse of a farmer" means the surviving spouse of an  
individual who is deceased, who at the time of death owned and  
occupied as a farmer the residence in which the surviving spouse  
lives and for which the exemption is claimed.

**SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
December 31, 2008, and applies to the surviving spouse of a deceased farmer whose death  
occurred before January 1, 2009, if the occupancy by the surviving spouse otherwise qualifies  
under this Act.