

Sixty-second
Legislative Assembly
of North Dakota

SENATE BILL NO. 2321

Introduced by

Senators Schneider, Hogue

1 A BILL for an Act to create and enact section 57-02-08.9 of the North Dakota Century Code,
2 relating to a homestead property tax credit for mobilized military personnel; and to provide an
3 effective date.

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

5 **SECTION 1.** Section 57-02-08.9 of the North Dakota Century Code is created and enacted
6 as follows:

7 **57-02-08.9. Property tax credit for mobilized military personnel - Certification -**
8 **Distribution.**

- 9 1. A member of the national guard or a reserve component who was activated under
10 10 U.S.C. 12302 and who completed honorable and faithful service of more than thirty
11 days on federal active duty in the armed forces of the United States during the taxable
12 year is eligible for a credit of up to forty percent of the true and full valuation of the
13 fixtures, buildings, and improvements of the person's homestead. The percentage of
14 credit for an individual is determined by multiplying forty percent times a percentage
15 determined by dividing the individual's days of federal active duty during the taxable
16 year by the number of days in the taxable year. The maximum reduction in an
17 individual's property taxes for the taxable year under this section is one thousand
18 dollars.
- 19 2. If two service members are married to each other and living together, their combined
20 credits may not exceed two thousand dollars of reduction in property taxes of the
21 homestead for the taxable year. If a service member coowns the homestead property
22 with someone other than the service member's spouse, the credit is limited to that
23 service member's interest in the fixtures, buildings, and improvements of the
24 homestead, to a maximum amount calculated by multiplying the service member's

percentage of interest in the homestead property by the service member's credit as otherwise determined under this section.

3. A service member claiming a credit under this section shall file with the county auditor an affidavit showing the facts required under this section; a description of the property; and a copy of the individual's orders to federal active duty and release from federal active duty, if a release has been granted.

4. For purposes of this section, and except as otherwise provided in this section, "homestead" has the meaning provided in section 47-18-01 except that the term also applies to a person who otherwise qualifies under the provisions of this section whether the person is the head of the family.

5. This section does not reduce the liability of a person for special assessments levied upon property.

6. Before March first of each year, the county auditor of each county shall certify to the tax commissioner on forms prescribed by the tax commissioner the name and address of each person for whom the property tax credit for homesteads under this section was allowed for the preceding year; the amount of credit allowed; the total of the tax mill rates of all taxing districts, exclusive of any state mill rates, that was applied to other real estate in the taxing districts for the preceding year; and such other information as may be prescribed by the tax commissioner.

7. The tax commissioner shall audit the certifications, make any corrections that may be required, and certify to the state treasurer for payment to each county before June first of each year the sum of the amounts computed by multiplying the credit allowed for each homestead of a mobilized service member in the county by the total of the tax mill rates, exclusive of any state mill rates that were applied to other real estate in the taxing districts for the preceding year.

8. The county treasurer upon receipt of the payment from the state treasurer shall apportion and distribute the payment without delay to the county and to the local taxing districts of the county on the basis on which the general real estate tax for the preceding year is apportioned and distributed.

9. Before June first of each year, the tax commissioner shall certify to the state treasurer the amount computed by multiplying the property tax credit allowed under this section

1 for homesteads of mobilized service members in the state for the preceding year by
2 one mill for deposit in the state medical center fund.

3 10. Supplemental certifications by the county auditor and by the tax commissioner and
4 supplemental payments by the state treasurer may be made after the dates prescribed
5 in this section to make such corrections as may be necessary because of errors or
6 because of approval of an application for abatement filed by a person because the
7 credit provided for the homestead of a mobilized service member was not allowed in
8 whole or in part.

9 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
10 December 31, 2010.