

Sixty-third
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2171

Introduced by

Senators Klein, Sorvaag, Dotzenrod

Representatives Dockter, Headland, Schmidt

- 1 A BILL for an Act to amend and reenact subsection 1 of section 57-02-08.1 of the North Dakota
2 Century Code, relating to the homestead property tax credit; and to provide an effective date.

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

4 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-02-08.1 of the North Dakota
5 Century Code ~~is~~are amended and reenacted as follows:

- 6 1. a. Any person sixty-five years of age or older or permanently and totally disabled, in
7 the year in which the tax was levied, with an income that does not exceed the
8 limitations of subdivision c is entitled to receive a reduction in the assessment on
9 the taxable valuation on the person's homestead. An exemption under this
10 subsection applies regardless of whether the person is the head of a family.
11 b. The exemption under this subsection continues to apply if the person does not
12 reside in the homestead and the person's absence is due to confinement in a
13 nursing home, hospital, or other care facility, for as long as the portion of the
14 homestead previously occupied by the person is not rented to another person.
15 c. The exemption must be determined according to the following schedule:
16 (1) If the person's income is not in excess of ~~eighteen~~twenty-six~~twenty-two~~
17 thousand dollars, a reduction of one hundred percent of the taxable
18 valuation of the person's homestead up to a maximum reduction of four
19 thousand five hundred dollars of taxable valuation.
20 (2) If the person's income is in excess of ~~eighteen~~twenty-six~~twenty-two~~
21 thousand dollars and not in excess of ~~twenty~~thirty~~twenty-six~~ thousand
22 dollars, a reduction of eighty percent of the taxable valuation of the person's
23 homestead up to a maximum reduction of three thousand six hundred
24 dollars of taxable valuation.

(3) If the person's income is in excess of ~~twenty-thirty~~twenty-six thousand dollars and not in excess of ~~twenty-two~~thirty-fourthirty thousand dollars, a reduction of sixty percent of the taxable valuation of the person's homestead up to a maximum reduction of two thousand seven hundred dollars of taxable valuation.

(4) If the person's income is in excess of ~~twenty-two~~thirty-fourthirty thousand dollars and not in excess of ~~twenty-four~~thirty-eightthirty-four thousand dollars, a reduction of forty percent of the taxable valuation of the person's homestead up to a maximum reduction of one thousand eight hundred dollars of taxable valuation.

(5) If the person's income is in excess of ~~twenty-four~~thirty-eightthirty-four thousand dollars and not in excess of ~~twenty-six~~forty-twothirty-eight thousand dollars, a reduction of twenty percent of the taxable valuation of the person's homestead up to a maximum reduction of nine hundred dollars of taxable valuation.

d. Persons residing together, as spouses or when one or more is a dependent of another, are entitled to only one exemption between or among them under this subsection. Persons residing together, who are not spouses or dependents, who are coowners of the property are each entitled to a percentage of a full exemption under this subsection equal to their ownership interests in the property.

e. This subsection does not reduce the liability of any person for special assessments levied upon any property.

f. Any person claiming the exemption under this subsection shall sign a verified statement of facts establishing the person's eligibility.

g. A person is ineligible for the exemption under this subsection if the value of the assets of the person and any dependent residing with the person, ~~excluding the unencumbered value of the person's residence that the person claims as a homestead,~~ exceeds ~~two~~two hundred seventy-fivefive hundred thousand dollars, including the value of any assets divested within the last three years. ~~For purposes of this subdivision, the unencumbered valuation of the homestead is limited to one hundred thousand dollars.~~

- 1 h. The assessor shall attach the statement filed under subdivision f to the
2 assessment sheet and shall show the reduction on the assessment sheet.
- 3 i. An exemption under this subsection terminates at the end of the taxable year of
4 the death of the applicant.

5 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
6 December 31, 2012, for ad valorem property taxes and for taxable years beginning after
7 December 31, 2013, for mobile home taxes.