

Northern Plains POTATO GROWERS ASSOCIATION



March 1, 2021

Rep. Headland, Craig and Members of the House Finance and Taxation Committee
Legislative Assembly of North Dakota

Re: Senate Bill 2041
SUPPORT Letter

Representatives Headland, Craig and Members,

We are writing this letter of testimony in **SUPPORT of SB 2041** relating to a commercial property tax exemption for grain elevator and potato warehouse property used for personal use.

The Northern Plains Potato Growers Association (NPPGA) represents 150+ potato growers across ND. As you are aware, potatoes are a perishable crop that must be properly stored in warehouses and buildings to extend their life for timely processing and shipping throughout the winter, spring and summer months. Many of these warehouses are located within town/city boundaries for the express purpose of ease of shipping, safety, transportation, etc. Some buildings are located adjacent to rail lines/spurs to accommodate shipping potatoes across the country.

The vast majority of these warehouses are used exclusively to store and ship from the grower's own personal potato crop – there is no commercial activity involving other growers that occurs on the property. This bill is designed to protect and restrict such property from being taxed at a commercial rate when no commercial activity occurs on the property. Identifying a property located within a taxing jurisdiction simply due to its location should not be sufficient to identify it as "commercial" property.

We respectfully request the ND House Finance and Taxation Committee votes to support SB 2041.

Sincerely,

Donavon Johnson
President