

Sixty-ninth
Legislative Assembly
of North Dakota

FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2367

Introduced by

Senators Myrdal, Luick

Representative Monson

1 A BILL for an Act to amend and reenact subsections 8 and 9 of section 57-02-27.2 of the North
2 Dakota Century Code, relating to assessment of agricultural property; and to provide an
3 effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 8 of section 57-02-27.2 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 8. Each local assessor shall determine the relative value of each assessment parcel
8 within the assessor's jurisdiction and shall determine the agricultural value of each
9 assessment parcel by adjusting the agricultural value estimate for the assessment
10 district by the relative value of the parcel. Each parcel must then be assessed
11 according to section 57-02-27. If either a local assessor or a township board of
12 equalization develops an agricultural value for the lands in its assessment district
13 differing substantially from the estimate provided by the county director of tax
14 equalization, written evidence to support the change must be provided to the county
15 director of tax equalization. In determining the relative value of each assessment
16 parcel, the local assessor shall apply the following considerations, which are listed in
17 descending order of significance to the assessment determination:

18 a. Actual use of the property for cropland or noncropland purposes by the owner of
19 the parcel.

20 b. Soil type and soil classification data from detailed or general soil surveys.

- 1 ~~b-c.~~ The schedule of modifiers that must be used to adjust agricultural property
2 assessments within the county as approved by the state supervisor of
3 assessments under subsection 9.
- 4 ~~e.~~ ~~Actual use of the property for cropland or noncropland purposes by the owner of~~
5 ~~the parcel.~~

6 **SECTION 2. AMENDMENT.** Subsection 9 of section 57-02-27.2 of the North Dakota
7 Century Code is amended and reenacted as follows:

- 8 9. a. In conjunction with the governing body of the county, the county director of tax
9 equalization shall develop a schedule of modifiers to be used to adjust
10 agricultural property assessments within the county and directions regarding how
11 the modifiers must be applied by assessors.
- 12 b. The county director of tax equalization shall submit the directions and schedule of
13 modifiers developed under subdivision a to the state supervisor of assessments
14 for approval for use within the county.
- 15 c. Before February first of each year, the county director of tax equalization in each
16 county shall provide to all assessors of agricultural property within the county
17 at the directions and schedule of modifiers that approved by the state supervisor of
18 assessments under subdivision b. The schedule of modifiers must be used to
19 adjust agricultural property assessments within the county and directions
20 regarding how those modifiers must be applied by assessors. Before the
21 schedule of modifiers is provided to assessors within the county, the county
22 director of tax equalization shall obtain the approval of the state supervisor of
23 assessments for use of the schedule within the county as provided in this section.
- 24 d. To request an adjustment to an owner's agricultural property assessment, the
25 owner shall sign and file with the assessor an initial application in the manner
26 prescribed by the tax commissioner. The application must contain a verified
27 statement of facts establishing the owner's property meets the eligibility
28 requirements for an adjustment to the property assessment based on the
29 schedule of modifiers developed and approved under this subsection as of the
30 date of the application. The assessor shall consider applications submitted under
31 this subdivision when determining the agricultural value of each parcel subject to

1 assessment under this section and may request additional information from the
2 applicant when making a determination of eligibility. After the submission of an
3 initial application, the assessor periodically shall review the property and
4 determine whether a continued adjustment to the property assessment based on
5 the schedule of modifiers is appropriate. The property owner shall notify the
6 assessor if there is a change in circumstance that may affect the applicability of
7 an adjustment to the owner's property assessment based on the schedule of
8 modifiers.

9 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
10 December 31, 2025.