

HOUSE BILL NO. 1073

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

1 A BILL for an Act to amend and reenact section 57-06-17.2 of the North Dakota Century Code,
2 relating to the exclusion of carbon dioxide pipeline property subject to payments in lieu of taxes
3 from the valuation of property in taxing districts.

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

5 **SECTION 1. AMENDMENT.** Section 57-06-17.2 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-06-17.2. Payments in lieu of taxes.** Carbon dioxide pipeline property described in
8 section 57-06-17.1 is subject to payments in lieu of property taxes during the time it is exempt
9 from taxation under section 57-06-17.1. For the purpose of these payments, carbon dioxide
10 pipeline property described in section 57-06-17.1 must be valued annually by the state board of
11 equalization in the manner that other pipeline valuations are certified. The county auditor shall
12 calculate taxes on the carbon dioxide pipeline property described in section 57-06-17.1 in the
13 same manner that taxes are calculated on other pipeline property. Not later than December
14 twenty-sixth of each year, each county auditor shall submit a statement of the amount of taxes
15 that would have been assessed against carbon dioxide pipeline property, exempted under
16 section 57-06-17.1, to the state treasurer for payment. The state treasurer shall make the
17 required payment to each county not later than March first of the following year, and the county
18 auditor shall distribute the payments to the political subdivisions in which the exempt pipeline
19 property is located. Carbon dioxide pipeline property for which payments in lieu of taxes are
20 required must be excluded from the valuation of property in the taxing district for purposes of
21 determining the mill rate for the taxing district.