

**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

- 1           percentage of interest in the homestead property by the service member's credit as  
2           otherwise determined under this section.
- 3        3. A service member claiming a credit under this section shall file with the county auditor  
4           an affidavit showing the facts required under this section; a description of the property;  
5           and a copy of the individual's orders to federal active duty and release from federal  
6           active duty, if a release has been granted.
- 7        4. For purposes of this section, and except as otherwise provided in this section,  
8           "homestead" has the meaning provided in section 47-18-01 except that the term also  
9           applies to a person who otherwise qualifies under the provisions of this section  
10           whether the person is the head of the family.
- 11       5. This section does not reduce the liability of a person for special assessments levied  
12           upon property.
- 13       6. Before March first of each year, the county auditor of each county shall certify to the  
14           tax commissioner on forms prescribed by the tax commissioner the name and address  
15           of each person for whom the property tax credit for homesteads under this section was  
16           allowed for the preceding year; the amount of credit allowed; the total of the tax mill  
17           rates of all taxing districts, exclusive of any state mill rates, that was applied to other  
18           real estate in the taxing districts for the preceding year; and such other information as  
19           may be prescribed by the tax commissioner.
- 20       7. The tax commissioner shall audit the certifications, make any corrections that may be  
21           required, and certify to the state treasurer for payment to each county before June first  
22           of each year the sum of the amounts computed by multiplying the credit allowed for  
23           each homestead of a mobilized service member in the county by the total of the tax  
24           mill rates, exclusive of any state mill rates that were applied to other real estate in the  
25           taxing districts for the preceding year.
- 26       8. The county treasurer upon receipt of the payment from the state treasurer shall  
27           apportion and distribute the payment without delay to the county and to the local  
28           taxing districts of the county on the basis on which the general real estate tax for the  
29           preceding year is apportioned and distributed.
- 30       9. Before June first of each year, the tax commissioner shall certify to the state treasurer  
31           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.