

Introduced by

Legislative Management

(Taxation Committee)

1 A BILL for an Act to amend and reenact section 57-15-02.1 of the North Dakota Century Code,  
2 relating to notices by political subdivisions of a proposed property tax levy increase and the time  
3 and place of a public hearing on the increase; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-15-02.1 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **57-15-02.1. Property tax levy increase notice and public hearing.**

8 Notwithstanding any other provision of law, a taxing district may not impose a property tax  
9 levy in a greater number of mills than the zero increase number of mills, unless the taxing  
10 district is in substantial compliance with this section.

- 11 1. The governing body of a taxing district proposing to impose a property tax levy at a  
12 greater mill rate than the zero increase number of mills shall cause publication-  
13 of written notice in its official newspaper as required by this section to be delivered to  
14 the owner of record of each taxable parcel of property in the taxing district by personal  
15 delivery, mail to the property owner's last-known address, or electronic mail directed  
16 with verification of receipt to an electronic mail address at which the property owner  
17 has consented to receive the notice. For an individual or entity that owns more than  
18 one parcel of taxable property in the taxing district, notices required under this section  
19 may be consolidated into a single notice covering all parcels.
- 20 2. Delivery of notice under this section must be completed at least seven days before a  
21 public hearing on ~~it~~ the taxing district's property tax levy. A public hearing under this  
22 section may not be scheduled to begin earlier than six p.m.
- 23 3. The tax commissioner shall prescribe the form and contents of the notice ~~must have at~~  
24 ~~least one-half inch [1.27 centimeters] white space margin on all four sides and must be~~

1           ~~at least two columns wide by five inches [12.7 centimeters] high to be used under this~~  
2           ~~section.~~ The heading of the notice must be capitalized in boldface type ~~of at least~~  
3           ~~eighteen point font size not smaller than prescribed by the tax commissioner~~ stating  
4           "IMPORTANT NOTICE TO (name of taxing district) TAXPAYERS". The proposed  
5           percentage increase exceeding the zero increase number of mills must be printed in a  
6           boldface typefont size no lessmore than two points lesssmaller than the heading, while  
7           the remaining portion of the ~~advertisement~~notice must be printed in a ~~type face~~font  
8           size no lessmore than four points lesssmaller than the heading. The text of the notice  
9           must contain:

- 10          a. The date, time, and place of the public hearing.
- 11          b. A statement that the public hearing will be held to consider increasing the  
12             property tax levy by a stated percentage, expressed as a percentage increase  
13             exceeding the zero increase number of mills.
- 14          c. A statement of the taxing district's proposed budget and ending fund balance in  
15             dollars and the previous year's final budget and ending fund balance in dollars.
- 16          d. A statement of the increased amount in dollars of property taxes which the  
17             proposed percentage increase would impose for a property, in each classification  
18             of property, which was of one hundred thousand dollars true and full valuation in  
19             the previous year with its true and full valuation increased by the average  
20             percentage increase for that classification of property in the taxing district for the  
21             current year.
- 22          e.e. A statement that there will be an opportunity for citizens to present oral or written  
23             comments regarding the proposed property tax levy.
- 24          d.f. Any other information the taxing district wishes to provide to inform taxpayers.

25          ~~2.4.~~ At least seven days before a public hearing on its property tax levy under this section,  
26             ~~the governing body shall cause notice of the information required under subsection 1~~  
27             ~~to be mailed to each property owner who received notice of an assessment increase~~  
28             ~~for the taxable year under section 57-12-09.~~ At the time of delivery of notices under  
29             subsection 1, the governing body of the taxing district shall provide for electronic mail  
30             delivery of a copy of the notice to the tax commissioner.

1     ~~3.5.~~ If the governing body of the taxing district does not make a final decision on imposing  
2     a property tax levy exceeding the zero increase number of mills at the public hearing  
3     for which the notice is required by this section, the governing body shall announce at  
4     that public hearing the scheduled time and place of the next public meeting at which  
5     the governing body will consider final adoption of a property tax levy exceeding the  
6     ~~tax~~taxing district's zero increase number of mills.

7     ~~4.6.~~ For purposes of this section:

8     a. "New growth" means the taxable valuation of any property that was not taxable in  
9     the prior year.

10    b. "Property tax levy" means the tax rate, expressed in mills, for all property taxes  
11    levied by the taxing district.

12    c. "Taxing district" means a city, county, school district, or city park district but does  
13    not include any such taxing district that levied a property tax levy of less than one  
14    hundred thousand dollars for the prior year and sets a budget for the current year  
15    calling for a property tax levy of less than one hundred thousand dollars.

16    d. "Zero increase number of mills" means the number of mills against the taxing  
17    district's current year taxable valuation, excluding consideration of new growth,  
18    which will provide the same amount of property tax revenue as the property tax  
19    levy in the prior year.

20    ~~5. For the taxable year 2013 only, for purposes of determining the zero increase number~~  
21    ~~of mills for a school district, the amount of property tax revenue from the property tax~~  
22    ~~levy in the 2012 taxable year must be recalculated by reducing the 2012 mill rate of~~  
23    ~~the school district by the lesser of:~~

24    a. ~~Fifty mills; or~~

25    b. ~~The 2012 general fund mill rate of the school district minus sixty mills.~~

26     **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
27    December 31, 2014.