

Introduced by

Legislative Management

(Taxation Committee and Advisory Commission on Intergovernmental Relations)

1 A BILL for an Act to amend and reenact section 57-20-07.2 of the North Dakota Century Code,
2 relating to a state-paid property tax relief credit; to provide an appropriation; and to provide an
3 effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-20-07.2 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-20-07.2. (~~Effective for the first two taxable years beginning after December 31,~~**
8 **2012) State-paid property tax relief credit.**

- 9 1. The owner of taxable property is entitled to a credit against property taxes levied
10 against the total amount of property or mobile home taxes in dollars levied against the
11 taxable value of the property. The credit is equal to twelve percent of property or
12 mobile home taxes levied in dollars against that property.
- 13 2. The owner, operator, or lessee of railroad property assessed by the state board of
14 equalization under chapter 57-05 or public utility operative property assessed by the
15 state board of equalization under chapter 57-06 is entitled to a credit against property
16 taxes levied within each county against that property in the amount provided in
17 subsection 1 against property taxes levied in dollars against that property in that
18 county.
- 19 3. The owner, operator, or lessee of operative property of an air carrier transportation
20 company assessed and taxed under chapter 57-32 is entitled to a credit in the amount
21 provided in subsection 1 against property taxes in dollars levied against that property.
22 The tax commissioner shall determine the total amount of credits under this
23 subsection and certify the amount to the state treasurer for transfer from the general
24 fund to the air transportation fund. The credit for each air transportation company must

1 be allocated to each city or municipal airport authority where that company makes
2 regularly scheduled landings, in the same manner as the tax collected from that
3 company is allocated.

4 4. The tax commissioner shall estimate the amount necessary to provide each county
5 advance payment of seventy-five percent of the amount the county and the taxing
6 districts in the county will ultimately receive for a taxable year under this section and
7 certify the estimated amounts to the state treasurer by March fifteenth for transfer by
8 April first to the county treasurer and distribution to the county and taxing districts in
9 the county as provided in subsection 5.

10 5. The tax commissioner shall determine the total amount of credits under this section for
11 each county from the abstract of the tax list filed by the county auditor under section
12 57-20-04, as audited and corrected by the tax commissioner. The tax commissioner
13 shall certify to the state treasurer for payment, by June first following receipt of the
14 abstract of the tax list, the amount determined for each county under this subsection.
15 No penalty or interest applies to any state payment under this section, regardless of
16 when the payment is made. The tax commissioner shall reduce the June certification
17 of payments to reflect the April estimated payments previously made to counties under
18 subsection 4.

19 6. Upon receipt of the payment from the state treasurer under subsections 4 and 5, the
20 county treasurer shall apportion and distribute it to the county and the taxing districts
21 in the county on the basis on which the general real estate tax for the preceding year
22 is apportioned and distributed.

23 7. After payments to counties under subsection 5 have been made, the tax commissioner
24 shall certify to the state treasurer as necessary any supplemental amounts payable to
25 counties or the air transportation fund or any amounts that must be returned by
26 counties or returned from the air transportation fund for deposit in the state general
27 fund to correct any errors in payments or reflect any abatement or compromise of
28 taxes, court-ordered tax reduction or increase, or levy of taxes against omitted
29 property. The county auditor shall provide any supplemental information requested by
30 the tax commissioner after submission of the abstract of the tax list. The county

1 treasurer shall apply to the tax commissioner for any supplemental payments to which
2 the county treasurer believes the county is entitled.

3 8. Notwithstanding any other provision of law, for any property other than mobile homes,
4 the property tax credit under this section does not apply to any property subject to
5 payments or taxes that are stated by law to be in lieu of personal or real property
6 taxes.

7 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general
8 fund in the state treasury, not otherwise appropriated, the sum of \$230,000,000, or so much of
9 the sum as may be necessary, to the state treasurer for the purpose of state-paid property tax
10 relief credits under section 57-20-07.2, for the biennium beginning July 1, 2015, and ending
11 June 30, 2017.

12 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
13 December 31, 2014.