

## Testimony in Favor of House Bill 1471

Mark Jorritsma, Executive Director  
Family Policy Alliance of North Dakota  
February 1, 2021

Good morning Chairman Headland and members of the House Finance and Taxation Committee. My name is Mark Jorritsma and I am the Executive Director of Family Policy Alliance of North Dakota. I am testifying in favor of House Bill 1471 and respectfully request that you render a “DO PASS” on this bill.

Although the exemption of religious organizations from taxation started in the early years of our country, the *Walz v. Tax Commission of the City of New York* case in 1970 solidified that real property owned by religious organizations should be tax exempt. As such, *Walz* was a cornerstone case regarding tax exempt status for religious institutions. Specifically, *the Court determined that the exemption has not resulted in the excessive entanglement of religion and the government. In fact, the Court found, taxing religious property could increase government entanglement by giving rise to tax valuation of church property, tax liens, and tax foreclosures. Further, demanding that religious institutions support the government by paying taxes would also create entanglement.*<sup>i</sup>

The US Constitution and the North Dakota Constitution acknowledge this legal principle as well. So I ask, why are we here today discussing the taxation of real property owned by religious organizations? Fundamentally, it is because the applicable portions of the Century Code appear to be inconsistent with our state Constitution. Aside from being in what could be considered a somewhat precarious legal position, this situation seems to give rise to exactly the type of “entanglement” that *Walz* warns against. Do the state or local taxing jurisdictions want to deal with “*tax valuation of church property, tax liens, and tax foreclosures*”? I doubt it.

All that being said, Family Policy Alliance of North Dakota also certainly sees this being critical to the preservation of religious freedom. We strongly believe that free exercise of religion is a hallmark that sets our country apart from many nations around the world, and makes us a shining example of how we honor religious organizations. Churches and other religious organizations contribute to our society in enumerable ways, from strengthening the moral underpinnings of our citizens, to supporting the founding principles of our nation, providing charity to those most in need in our society, and more. Every dollar of tax revenue taken from these institutions is another dollar not spent on these critical purposes.

While Family Policy Alliance of North Dakota can fully appreciate the need for property tax revenues for state and local jurisdictions, we firmly believe that for the aforementioned reasons, it is in the best interest of our state to make these changes to our Century Code. We ask you to please render a “DO PASS” on House Bill 1471 out of this committee.

Thank you for your time. I would now be happy to stand for any questions.

---

<sup>i</sup> *Tax Exemption for Churches: An American Value, a Social Imperative*, Family Research Council, July 2015.