



To advocate for the success of our members in partnership with our local Associations and the National Association of REALTORS®

March 22, 2021

Senate Finance and Taxation

Re: Testimony in opposition to HB 1277

Chair Bell and Members of the Senate Finance & Tax Committee,

For the record, my name is Jill Beck, CEO of the North Dakota Association of Realtors.

The North Dakota Association of Realtors (NDAR) is opposed to HB 1277 for three reasons. Initially, the bill extended the tax exemption for up to 5 years. NDAR is opposed to the extension because these homes are often sold to young families on a tight budget. The initial monthly payment can be manageable but when the tax exemption expires, they are not prepared for the taxes due because they have not escrowed the tax payment. As a result, they end up in arrears and can lead to foreclosure.

NDAR understands and supports the use of property taxes for the operations of cities, counties, and school districts. However, providing a tax exemption for some will ultimately spread the cost across the other taxpayers creating inequities.

Additionally, NDAR is opposed to the added requirement of a vote of the majority of qualified electors to implement a tax exemption. Elections are costly and there is already a tax exemption process in place that is working.

NDAR supports the current law that allows local municipalities to determine if they will use a tax exemption as an incentive to build affordable housing.

Respectfully,

Jill Beck
Chief Executive Officer

Lisa Feldner
NDAR Lobbyist

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