



Testimony on SB 2270
Presented to the Finance and Taxation Committee
Prepared by Bernie Dardis, West Fargo Commission President
Wednesday, Jan. 27, 2021

1 Chairwoman Bell and members of the Finance and Taxation Standing
2 Committee: I would like to take this opportunity to submit my opposition to SB 2270,
3 which would provide for property tax reduction for individuals over 65 years of age.

4 After evaluating the bill, I believe it was intended to provide property tax relief to
5 populations who would benefit the most. However, a qualification using age and not
6 need is likely to exclude a large portion of the population in need of relief, as well as
7 provide a tax benefit to a portion of the population who may not need it.

8 According to the 2019 American Community Survey 5-year estimates from the
9 U.S. Census Bureau, 3,084 residents in West Fargo are at least 65 and 3% of them are
10 living below poverty level. However, 6.5% of the 22,499 residents ages 18 to 64 are
11 below poverty level. As you can see, age is not an inclusive demographic to determine
12 the need for property tax relief. It is also important to remember that North Dakota's
13 Homestead Property Tax Credit does cater to the people in 65 and over age group
14 who actually need assistance.

15 As currently written, the bill also provides the opportunity for individuals to share
16 ownership with an individual who qualifies and then benefit from the relief without
17 meeting the qualifications. In fact, this is specifically stated in the bill under Section 1.3.
18 This will lead to an enormous tax burden placed on the shoulders of residents who do
19 not qualify or choose not to create a situation where they would qualify.

20 When evaluating and developing property tax reductions, it is important to
21 remember that every action shifts the burden of property tax on to the shoulders of
22 other residents. Local municipalities do their part to control the level of property taxes
23 needed by closely controlling costs, adjusting fees, implementing sales tax, utilizing
24 multiple sources like Prairie Dog funding and sales tax for infrastructure projects, and

25 reviewing debt annually to identify refinancing opportunities. However, there will always
26 be a cost to providing municipal services like police, fire and snowplows and these
27 costs increase annually, just like anything else. Property tax efforts need careful
28 consideration to ensure one action to benefit a group of property owners does not
29 place an undue burden on another group of property owners.

30 For these reasons, I oppose SB 2270 and ask this committee to consider a
31 different action to address property taxes.