



Testimony prepared for:  
**Senate Finance and Taxation Committee**  
Prepared January 26, 2021  
Lori Hanson, Director of Tax Equalization  
Mountrail County

RE: Opposition Testimony for Senate Bill 2270

Dear Chairwoman Bell and Honorable Members of Senate Finance and Taxation Committee:

I am respectfully requesting you to support a **“DO NOT PASS”** on Senate Bill 2270 relating to the optional residential property tax reduction for the primary residence of an owner who age 65 or older.

A residential property tax reduction or **“freeze”** for owners who are age 65 or older, shifts the tax burden to those under the age of 65 along with shifting the tax burden to the other property classes (commercial and agricultural). In essence, this bill would affect those under the age of 65 as they would be the ones to bear the shift in tax burden. Without any limitations/restrictions based on income and assets, this State would have a large population of residents who could apply who are better off financially than our young working families.

Currently, under North Dakota Century Code 57-02-08.1, an individual who is 65 years of age or older may apply for what is known as the Homestead Credit. The application filed needs to meet ownership, income and assets requirements. There is a limitation on income – not in excess of \$42,000, assets not in excess of \$500,000. The maximum reduction allowed is a \$5,625 taxable value which equates to a true and full value of \$125,000.

Since the Homestead Credit already exist in the Century Code, I would suggest enhancements could be made to the existing Century Code to meet the intent of SB 2270. As the bill stands, I would support a **“DO NOT PASS”**.

Thank you for your consideration.

Sincerely,

**Lori Hanson**  
**Mountrail County Director of Tax Equalization**