Sixty-eighth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1211

Introduced by

Representatives Richter, Dockter, Grueneich, Hatlestad

Senators Lee, Magrum

A BILL for an Act to amend and reenact ~~subdivision g of~~ subsection 1 of section 57-02-08.1 of the North Dakota Century Code, relating to the homestead property tax credit; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

~~**SECTION 1. AMENDMENT.** Subdivision g of subsection 1 of section 57-02-08.1 of the North Dakota Century Code is amended and reenacted as follows:~~

~~g. A person is ineligible for the exemption under this subsection if the value of the assets of the person and any dependent residing with the person exceeds fiveseven hundred fifty thousand dollars, including the value of any assets divested within the last three years.~~

SECTION 1. AMENDMENT. Subsection 1 of section 57-02-08.1 of the North Dakota Century Code is amended and reenacted as follows:

1. a. Any person sixty-five years of age or older or permanently and totally disabled, in the year in which the tax was levied, with an income that does not exceed the limitations of subdivision c is entitled to receive a reduction in the assessment on the taxable valuation on the person's homestead. An exemption under this subsection applies regardless of whether the person is the head of a family.

   b. The exemption under this subsection continues to apply if the person does not reside in the homestead and the person's absence is due to confinement in a nursing home, hospital, or other care facility, for as long as the portion of the homestead previously occupied by the person is not rented to another person.

   c. The exemption must be determined according to the following schedule:

      (1) If the person's income is not in excess of ~~twenty-two~~twenty-nine thousand dollars, a reduction of one hundred percent of the taxable valuation of the

person's homestead up to a maximum reduction of ~~five~~seven thousand ~~six~~four hundred twenty-five dollars of taxable valuation.

(2) If the person's income is in excess of ~~twenty-two~~twenty-nine thousand dollars and not in excess of ~~twenty-six~~thirty-four thousand dollars, a reduction of eighty percent of the taxable valuation of the person's homestead up to a maximum reduction of ~~four~~five thousand ~~five~~eight hundred fifty dollars of taxable valuation.

(3) If the person's income is in excess of ~~twenty-six~~thirty-four thousand dollars and not in excess of ~~thirty~~forty-four thousand dollars, a reduction of sixty percent of the taxable valuation of the person's homestead up to a maximum reduction of ~~three~~four thousand ~~three~~five hundred ~~seventy-five~~ dollars of taxable valuation.

(4) If the person's income is in excess of ~~thirty~~forty-four thousand dollars and not in excess of ~~thirty-four~~fifty-seven thousand dollars, a reduction of forty percent of the taxable valuation of the person's homestead up to a maximum reduction of two thousand ~~two~~nine hundred ~~fifty~~twenty-five dollars of taxable valuation.

(5) If the person's income is in excess of ~~thirty-four~~fifty-seven thousand dollars and not in excess of ~~thirty-eight~~seventy-four thousand dollars, a reduction of twenty percent of the taxable valuation of the person's homestead up to a maximum reduction of one thousand ~~one~~five hundred ~~twenty-five~~seventy-five dollars of taxable valuation.

(6) If the person's income is in excess of ~~thirty-eight~~seventy-four thousand dollars and not in excess of ~~forty-two~~ninety-six thousand dollars, a reduction of ten percent of the taxable valuation of the person's homestead up to a maximum reduction of ~~five~~nine hundred ~~sixty-three~~ dollars of taxable valuation.

(7) On January first of each year, the tax commissioner shall prescribe new income limitations that apply in lieu of the income limitations provided in paragraphs 1 through 6 by adjusting the income limitations applicable to the previous taxable year by the consumer price index. For purposes of this

paragraph, "consumer price index" means the percentage change in the consumer price index for all urban consumers in the midwest region as determined by the United States department of labor, bureau of labor statistics, for the most recent year ending December thirty-first.

d. Persons residing together, as spouses or when one or more is a dependent of another, are entitled to only one exemption between or among them under this subsection. Persons residing together, who are not spouses or dependents, who are co-owners of the property are each entitled to a percentage of a full exemption under this subsection equal to their ownership interests in the property.

e. This subsection does not reduce the liability of any person for special assessments levied upon any property.

f. Any person claiming the exemption under this subsection shall sign a verified statement of facts establishing the person's eligibility. Any income information contained in the statement of facts is a confidential record.

g. ~~A person is ineligible for the exemption under this subsection if the value of the assets of the person and any dependent residing with the person exceeds five hundred thousand dollars, including the value of any assets divested within the last three years.~~

~~h.~~ The assessor shall attach the statement filed under subdivision f to the assessment sheet and shall show the reduction on the assessment sheet.

~~i.~~h. An exemption under this subsection terminates at the end of the taxable year of the death of the applicant.

SECTION 2. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 2022.