

HB 1439 Testimony

Mr. Chairman, members of the House Finance and Tax Committee, my name is Rep. Larry Bellew, District 38 Republican from Minot. I am here to introduce and support passage of HB 1439.

Last session, this Legislative Assembly passed HB 1471. This bill, as passed, was intended to exempt religious organizations (Churches) from property taxes if they have commenced with construction improvements. However, according to the Tax Department and I quote “but construction improvements to accommodate a church building or buildings do begin, the land is *no longer* undeveloped. Yet, there is no church building or buildings in place until built. Commencement of construction improvements changes the taxable status of the *formally* undeveloped land from exempt to non-exempt until such time as the church building or buildings are built and suitable for use. If the Legislative Assembly intends for there to be an exemption while construction improvements are underway, then additional language should be added to specifically provide for that exemption. This is what HB 1439 does. Even, though I feel that HB 1471 did the same thing.

During public testimony last session, only gov’t entities were against the bill. Their testimony stated that if the property tax was reduced for churches,

then the other taxpayers in the taxing area would have to make up the difference.

Not once was there a mention to reduce gov't spending. My question to the political subs is who makes up the difference when they open and become exempt?

I urge this committee to pass this bill and correct what the tax department is saying.