



February 27, 2023

Sixty-eighth Legislative Assembly of North Dakota
Bismarck, ND

RE: City of Minot Support for House Bill 1439

Dear Members of the Committee:

The City of Minot would like to express its support for House Bill 1439 introduced by Representatives Bellew, Fisher, Karls, Koppelman, Toman, and Senators Clemens and Kannianen.

In the last legislative session House Bill 1471 was passed and put into law which amended NDCC 57-02-08 (9)(c) allowing for religious entities to purchase up to 20 acres of land and have up to 10 years of property tax exemption. From discussion with the sponsors of HB 1471 the legislative intent was for churches to be exempt from property tax when purchasing property for the construction of a new building until it is operational. The City of Minot has a local church that purchased property and began construction. When they applied for the tax exemption now available under HB 1471 the State Tax Commissioner informed the City of Minot since the property is under development it no longer qualifies as "undeveloped property" and subject to taxation until the building has completed construction and is occupied for religious use.

Action on House Bill 1439 this legislative session will provide clarity to this matter. Failure to pass this bill will affirm the legislature deems it appropriate for religious organizations to pay property tax on property under construction as was passed last session, while a Do Pass vote will clarify the legislature's previous intent to exempt religious entities from paying property tax on any property owned at any phase of undeveloped, under construction, and/or developed and in use.

Given it is understood the legislative intent last session was to exempt religious owned property from taxation, the City of Minot respectfully requests a **Do Pass** vote on HB 1439.

Sincerely,

A handwritten signature in blue ink, appearing to read "Harold Stewart". The signature is fluid and cursive, with a prominent initial "H" and a long, sweeping underline.

Harold Stewart, City Manager
City of Minot