27.0244.01000

Seventieth
Legislative Assembly
of North Dakota

FIRST DRAFT:
Prepared by the Legislative Council staff for the
Tax Reform and Relief Advisory Committee
August 2026

Introduced by

A BILL for an Act to amend and reenact section 57-20-07.1 of the North Dakota Century Code, relating to the required contents of a real estate tax statement; to provide an appropriation; and to provide for a legislative management report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 57-20-07.1 of the North Dakota Century Code is amended and reenacted as follows:

57-20-07.1. County treasurer to mail real estate tax statement - Contents of statement.

1. On or before December twenty-sixth of each year, the county treasurer shall mail a real estate tax statement to the owner of each parcel of real property at the owner's last-known address. The form of the real estate tax statement to be used in every county must be prescribed and approved for use by the tax commissioner. The statement must be provided in a manner that allows the taxpayer to retain a printed record of the obligation for payment of taxes and special assessments as provided in the statement. If a parcel of real property is owned by more than one individual, the county treasurer shall send only one statement to one of the owners of that property. Additional copies of the tax statement will be sent to the other owners upon their request and the furnishing of their names and addresses to the county treasurer. The tax statement must:
   a. Include a dollar valuation of the true and full value as defined by law of the property and the total mill levy applicable.
   b. Include, or be accompanied by a separate sheet, with three columns showing, for the taxable year to which the tax statement applies and the two immediately preceding taxable years:

(1) The property tax levy in dollars against the parcel by the county and school district and any city or township that levied taxes against the parcel.

(2) The amount of property tax levied as a result of mills levied by a school district under section 21-03-15 and subdivision b of subsection 7 of section 57-15-14.2.

c. ~~Provide information identifying the property tax savings provided by the state of North Dakota. The tax statement must include a line item that is entitled "legislative tax relief" and identifies the dollar amount of property tax savings realized by the taxpayer under chapter 50-34 for taxable years before 2019, chapter 50-35 for taxable years after 2018, and chapter 15.1-27.~~

~~(1) For purposes of this subdivision, legislative tax relief under chapter 15.1-27 is determined by multiplying the taxable value for the taxable year for each parcel shown on the tax statement by the lesser of one hundred twenty-five mills or the sum of:~~

~~(a) The number of mills of mill levy reduction grant under chapter 57-64 for the 2012 taxable year; and~~

~~(b) The 2012 taxable year mill rate of the school district excluding sixty mills.~~

~~(2) Legislative tax relief under chapter 50-35 is determined by multiplying the taxable value for the taxable year for each parcel shown on the tax statement by the number of mills of relief determined by dividing the amount calculated in subsection 1 of section 50-35-03 for a human service zone by the taxable value of taxable property in the zone for the taxable year.~~

~~d.~~ Provide information identifying the primary residence credit, including information regarding the portion of the credit derived from funding distributed from the legacy fund.

(1) The statement must include a separate line item identifying the primary residence credit realized by the taxpayer for each taxable year shown.

(2) The statements must include a separate line item or conspicuous description identifying the portion of the credit derived from funding distributed from the legacy fund.

(a) The dollar amount of the primary residence credit derived from funding distributed from the legacy fund is calculated as the product of the total amount of the primary residence credit realized by the taxpayer in a taxable year multiplied by the applicable percent.

(b) By November first of each year, the tax commissioner shall notify each county auditor of the applicable percent to be used for the calculation in paragraph a for the current and prior two taxable years.

(c) For purposes of this paragraph, "applicable percent" means the percent, rounded to the nearest hundredth of a percent, calculated as the quotient of the amount allocated to the legacy property tax relief fund from the legacy earnings fund for the primary residence credit pursuant to section 54-27-32 divided by the total amount appropriated from the legacy property tax relief fund for the primary residence credit, using the allocations and appropriations for the relevant tax years.

2. Failure of an owner to receive a statement will not relieve that owner of liability, nor extend the discount privilege past the February fifteenth deadline.

SECTION 2. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - SUPPLEMENTAL PROPERTY TAX INFORMATION GRANT PROGRAM - ONE-TIME FUNDING - REPORT TO LEGISLATIVE MANAGEMENT.

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $200,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of a supplemental property tax information grant program, for the biennium beginning July 1, 2027, and ending June 30, 2029. The funding appropriated in this section is considered a one-time funding item.

2. The office of management and budget shall distribute the funding appropriated in this section in July 2027 as a passthrough grant to an association representing counties in North Dakota. Before the close of the biennium and by a deadline established by the office of management and budget, the association that receives the passthrough grant

under this section shall return any unspent funding to the office of management and budget for deposit in the general fund.

3. The association representing counties in North Dakota that receives the passthrough grant under this section shall administer and develop guidelines for a supplemental property tax information grant program to reimburse counties for costs associated with preparing supplemental property tax and budget information to be distributed with property tax statements.

   a. The program and guidelines must include:

      (1) An application and approval process for counties to participate in the supplemental property tax information grant program.

      (2) Minimum requirements and maximum limits for the type, format, and quantity of supplemental property tax and budget information, including parameters for graphs and charts, use of color, and number of pages.

      (3) Identification of costs eligible for reimbursement, a requirement for counties to document expenses, deadlines for counties to request reimbursement of documented eligible expenses, and a reimbursement limit of $15,000 per county per year.

      (4) Provisions for the association to review the requests submitted by counties and to distribute grants awarded to the counties within thirty days after receiving the request for reimbursement based on documented eligible expenses.

   b. The association may use up to ten percent of the funding to reimburse documented costs incurred by the association to administer the grant program under this section, including:

      (1) Salaries and wages for costs related to permanent or temporary staff of the association to administer the grants, to provide training to county staff regarding the supplemental information, and to assist counties with the preparation of the supplemental information; and

      (2) Operating expenses for costs of the association or contracted by the association related to information technology, printing, postage, surveys, and other relevant costs. As a component of administering the grant

program, the association shall conduct surveys during each year of the biennium to gather feedback from counties that receive reimbursements regarding the process to prepare the supplemental information and to gather feedback from taxpayers regarding the benefit of receiving the supplemental information.

c. The association and counties may use the funding only to reimburse additional costs incurred related to the supplemental information and may not use the funding to reimburse costs for the preparation of property tax statements or other unrelated expenses.

4. If more than twenty-six counties participate and requests for reimbursement under the program exceed the funding available, the association that receives the passthrough grant under this section may request the seventy-first legislative assembly provide a deficiency appropriation to the office of management and budget in the amount of the shortfall for a passthrough grant to the association.

5. During the 2027-28 interim, the association that receives the passthrough grant under this section shall report at least twice to the legislative management regarding the amount of grant funding spent, samples of the supplemental information from each county, the results of the surveys, and other information requested by the legislative management.