

HOUSE BILL NO. 1266

Introduced by

Representatives Pyle, Klemin, M. Ruby, Marschall, J. Olson

Senators Weston, Wobbema

1 A BILL for an Act to amend and reenact section 57-02-08.8 of the North Dakota Century Code,
2 relating to the property tax credit for disabled veterans; and to provide an effective date.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 57-02-08.8 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-02-08.8. Property tax credit for disabled veterans - Certification - Distribution.**

7 1. A disabled veteran of the United States armed forces with an armed forces
8 service-connected disability of fifty percent or greater or a disabled veteran who has
9 an extra-schedular rating to include individual unemployability that brings the veteran's
10 total disability rating to one hundred percent as determined by the department of
11 veterans' affairs, who was discharged under honorable conditions or who has been
12 retired from the armed forces of the United States, or the surviving spouse if the
13 disabled veteran is deceased, is eligible for a credit applied against the ~~first eight~~
14 ~~thousand one hundred dollars~~ of taxable valuation of the homestead owned and
15 occupied by the disabled veteran or surviving spouse equal to the percentage of the
16 disabled veteran's disability compensation rating for service-connected disabilities as
17 certified by the department of veterans' affairs for the purpose of applying for a
18 property tax credit. A surviving spouse who is receiving United States department of
19 veterans affairs dependency and indemnity compensation receives a one hundred
20 percent credit as described in this subsection. If the determination of disability or
21 service-connected death occurs subsequent to the qualifying veteran's death through
22 application of a law that renders a surviving spouse of a qualifying veteran eligible for
23 United States department of veterans affairs disability and indemnity compensation,
24 the determination for purposes of the credit under this subsection is presumed to

1 precede the veteran's death. Sufficient proof of receipt of United States department of
2 veterans affairs dependency and indemnity compensation includes correspondence
3 directed to a surviving spouse of a qualifying veteran by the United States department
4 of veterans affairs which indicates the surviving spouse is a survivor of the qualifying
5 veteran and is in receipt of United States department of veterans affairs dependency
6 and indemnity compensation.

7 2. If two disabled veterans are married to each other and living together, their combined
8 credits may not exceed one hundred percent of ~~eight thousand one hundred dollars~~
9 ~~of~~ the taxable valuation of the homestead. If a disabled veteran co-owns the
10 homestead property with someone other than the disabled veteran's spouse, parent,
11 or child, the credit is limited to that disabled veteran's interest in the homestead, to a
12 maximum amount calculated by multiplying ~~eight thousand one hundred dollars of~~ the
13 taxable valuation by the disabled veteran's percentage of interest in the homestead
14 property and multiplying the result by the applicant's certified disability percentage.

15 3. A disabled veteran or ~~unremarried~~ surviving spouse claiming a credit under this
16 section for the first time shall file with the county auditor an affidavit showing the facts
17 required under this section, a description of the property, and a certificate from the
18 United States department of veterans' affairs, or its successor, certifying to the amount
19 of the disability. The affidavit and certificate must be open for public inspection. A
20 person shall thereafter furnish to the assessor or other assessment officials, when
21 requested to do so, any information which supports the claim for credit for any
22 subsequent year.

23 4. For purposes of this section, and except as otherwise provided in this section,
24 "homestead":

25 a. "Child" means a child by birth, adoption, or marriage.

26 b. "Homestead" has the meaning provided in section 47-18-01 except that it also
27 applies to a person who otherwise qualifies under the provisions of this section
28 whether the person is the head of the family.

29 c. "Parent" means a birth parent, adoptive parent, or stepparent.

30 5. This section does not reduce the liability of a person for special assessments levied
31 upon property.

- 1 6. A credit under this section terminates at the end of the taxable year of the death of the
2 applicant.
- 3 7. The board of county commissioners may cancel the portion of unpaid taxes that
4 represents the credit calculated in accordance with this section for any year in which
5 the qualifying owner has held title to the homestead property. Cancellation of taxes for
6 any year before enactment of this section must be based on the law that was in effect
7 for that tax year.
- 8 8. Before the first of March of each year, the county auditor of each county shall certify to
9 the tax commissioner on forms prescribed by the tax commissioner the name and
10 address of each person for whom the property tax credit for homesteads of disabled
11 veterans was allowed for the preceding year, the amount of credit allowed, the total of
12 the tax mill rates of all taxing districts, exclusive of any state mill rates, that was
13 applied to other real estate in the taxing districts for the preceding year, and such other
14 information as may be prescribed by the tax commissioner.
- 15 9. On or before the first of June of each year, the tax commissioner shall audit the
16 certifications, make the required corrections, and certify to the state treasurer for
17 payment to each county the sum of the amounts computed by multiplying the credit
18 allowed for each homestead of a disabled veteran in the county by the total of the tax
19 mill rates, exclusive of any state mill rates that were applied to other real estate in the
20 taxing districts for the preceding year.
- 21 10. The county treasurer upon receipt of the payment from the state treasurer shall
22 apportion and distribute the payment without delay to the county and to the local
23 taxing districts of the county on the basis on which the general real estate tax for the
24 preceding year is apportioned and distributed.
- 25 11. On or before the first day of June of each year, the tax commissioner shall certify to
26 the state treasurer the amount computed by multiplying the property tax credit allowed
27 under this section for homesteads of disabled veterans in the state for the preceding
28 year by one mill for deposit in the state medical center fund.
- 29 12. Supplemental certifications by the county auditor and by the tax commissioner and
30 supplemental payments by the state treasurer may be made after the dates prescribed
31 in this section to make such corrections as may be necessary because of errors or

1 because of approval of an application for abatement filed by a person because the
2 credit provided for the homestead of a disabled veteran was not allowed in whole or in
3 part.

4 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
5 December 31, 2024.