

FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1474

Introduced by

Representatives Toman, Dockter, Kasper, Schatz, Steiner, VanWinkle, Koppelman, D.
Johnston, Louser

Senators Meyer, Castaneda, Paulson

1 A BILL for an Act to provide for a legislative management study of property tax reform for
2 residential property.

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

4 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PROPERTY TAX REFORM FOR**
5 **RESIDENTIAL PROPERTY.**

6 1. During the 2025-26 interim, the legislative management shall consider studying
7 property tax reform for residential property, including the feasibility of imposing
8 limitations on taxable valuation increases and of replacing the current property tax
9 structure for residential property with a price per square foot taxation method. The
10 study must include:

11 a. A review of the current property tax system for residential property, including
12 procedures for property assessment, the function of the equalization and
13 abatement process, and the process for determining taxing district budgets.

14 b. Consideration of methods to limit the growth of residential property values,
15 including potential advantages and disadvantages for property owners and taxing
16 districts.

17 c. Consideration of implementation and administration of a new taxation method
18 based on a price per square foot, the potential impact of the new taxation method
19 on taxpayers and taxing districts, potential unintended consequences related to a
20 transition from the current ad valorem taxation system to a new taxation method,

- 1 and potential approaches to mitigate unintended consequences related to the
2 transition to a new taxation method.
- 3 2. The legislative management shall report its findings and recommendations, together
4 with any legislation required to implement the recommendations, to the seventieth
5 legislative assembly.