Sixty-ninth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2405

Introduced by

Senators Rummel, Patten

Representatives Dockter, Headland

A BILL for an Act to amend and reenact subsection 1 of section 57-02-08.9, section 57-20-09, and subsection 1 of section 57-55-03 of the North Dakota Century Code, relating to the order of application of the primary residence credit and discount for early payment of tax; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 57-02-08.9 of the North Dakota Century Code is amended and reenacted as follows:

1. A taxpayer is entitled to a credit against the property tax due on the taxpayer's parcel of primary residential property as provided in this section. The credit:
   a. Is limited to one thousand six hundred dollars.
   b. May not reduce the liability for special assessments levied upon any property.
   c. May not exceed the amount of property tax due against the parcel of primary residential property.
   d. Must be applied to reduce the property tax owed on the parcel of primary residential property after other exemptions~~,~~ or credits~~, or discounts~~ under this chapter have been applied.

SECTION 2. AMENDMENT. Section 57-20-09 of the North Dakota Century Code is amended and reenacted as follows:

57-20-09. Discount for early payment of tax.

Except as provided in section 57-20-21.1, the county treasurer shall allow a five percent discount to all taxpayers who shall pay all of the real estate taxes levied on any tract or parcel of real property in any one year in full on or before February fifteenth ~~prior to~~before the date of delinquency. The discount applies to all general real estate taxes levied for state, county, city, township, school district, fire district, park district, and any other taxing districts but does not apply to personal property taxes or special assessment installments. ~~The discount must be applied before a primary residence credit under section 57-02-08.9 is applied.~~ If the board of county commissioners, by resolution, determines that an emergency exists in the county by virtue of weather or other catastrophe, it may extend the discount period for an additional thirty days.

SECTION 3. AMENDMENT. Subsection 1 of section 57-55-03 of the North Dakota Century Code is amended and reenacted as follows:

1. a. The tax imposed in this chapter is due and payable on January tenth of each year or ten days after the mobile home is purchased or first moved into this state. If the tax due for the entire year is paid in full by February fifteenth, the county treasurer shall allow a five percent discount. ~~The discount must be applied before a primary residence credit under section 57-02-08.9 is applied.~~

   b. If the tax imposed by this chapter is paid in full within thirty days after the mobile home is purchased or moved into this state, the county treasurer shall allow a five percent discount. However, if the tax is not paid within forty days it is subject to a penalty and interest. The penalty is one percent of the tax. The interest is one-half percent of the tax for each full and fractional month of delay.

SECTION 4. EFFECTIVE DATE. Section 1 of this Act is effective for taxable years beginning after December 31, 2025, for ad valorem property taxes, and for taxable years beginning after December 31, 2026, for mobile home taxes. Section 2 of this Act is effective for taxable years beginning after December 31, 2025. Section 3 of this Act is effective for taxable years beginning after December 31, 2026.