

Chairman Headland and members of the House Finance and Tax Committee

I am Nels Christianson, Representative for District 18, which includes central Grand Forks and northeast Grand Forks County.

There is common agreement that property tax is the largest and most pressing issue facing the 69th Legislative Assembly. Your committee is tasked with the critical job of identifying the mechanism of property tax relief and reform for the homeowners and property owners of North Dakota.

One common issue I heard repeatedly while knocking on the doors of District 18 is the challenges that senior homeowners are facing with paying property taxes on their primary residences. Over and over, homeowners would tell me that they fell just outside the limits of the homestead credit, which otherwise would have given them needed relief. A frequent request was to expand the eligibility to qualify for the homestead tax credit.

Retired residents of North Dakota face a great challenge on a fixed income, with ever rising property tax payments. Often, they must make the choice to leave their home due to rising tax payments while they are on a fixed retirement income. HB 1335 addresses this challenge by expanding the eligibility to qualify for the homestead tax credit to senior citizens of low to moderate incomes. This bill changes the income thresholds to phase out the homestead credit from \$40,000 to \$70,000 per year to \$70,000 to \$100,000 annually.

After a lifetime of paying property and income taxes, retirees should not be forced to work additional years to pay a significant property tax burden. I heard from constituents that favored lowering the age to qualify from 65 to age 62. This will align tax policy with the age that many citizens choose to retire.

Your committee has many tough choices on property tax reform this session. The homestead tax credit is a clear way to pass relief directly to the homeowners of North Dakota who have spent a lifetime working and paying taxes. Chairman Headland and members of the committee, please consider including these proposed changes in the property tax reform and relief plan, to help keep senior North Dakota homeowners in their homes.

Nels Christianson

District 18