

Testimony in Opposition to Senate Bill 2312  
January 29, 2025  
Senate Finance and Taxation Committee  
Bill Wocken on behalf of the North Dakota League of Cities

Good morning, Mr. Chairman and members of the Senate Finance and Taxation Committee. For the record, my name is Bill Wocken, appearing on behalf of the North Dakota League of Cities in opposition to Senate Bill 2312.

This bill proposes a new tax exemption for property used for equine events. The property covered would need to be owned by a "charitable organization" and used primarily for non-profit "equine events".

This proposal has several challenges in its current wording. "Charitable organization" is not defined clearly, Does the organization need to hold an IRS 501 c(3) designation or some similar credential? "Equine event " is also undefined. A definition of the term would save a lot of confusion should this measure become law.

But even with those terms defined the League of Cities is opposed to this exemption request. The League has consistently opposed bills requesting exemptions from the property tax. Each property that is exempt from paying property tax creates a heavier burden on those who remain to pay the tax.

There are a number of proposals to cap the property tax for local government circulating in the current Legislative Assembly. Providing additional exemptions from paying property tax will reduce revenue production at the very time that rates may not be able to be adjusted to provide needed operating revenue.

We respectfully request a Do Not Pass recommendation from the committee on Senate Bill 2312. I will be happy to answer any questions you may have of me.