CHAPTER 57-02.2
EXEMPTION OF IMPROVEMENTS TO BUILDINGS

57-02.2-01. Declaration and finding of public purpose.

The legislative assembly hereby declares and finds that the present method of assessment and taxation of real property discourages the investment of private capital in the rehabilitation and remodeling of commercial and residential buildings and structures with the result that such properties have been allowed by their owners to decay, become in need of repair, modernization, and replacement, and that such conditions have resulted in a decreased tax base. The legislative assembly further finds that it is in the public interest and for the welfare of the state of North Dakota, its political subdivisions, and its citizens to encourage the investment of private capital in improvements to commercial and residential buildings and structures, thereby encouraging the production of wealth, improving the volume of employment, enhancing living conditions, and preserving and increasing the property tax base. It is the intent of the legislative assembly that the exemptions from taxation provided for in this chapter provide an alternative to the property tax exemptions provided for in chapters 40-57 and 40-57.1.

57-02.2-02. Improvement defined.

In this chapter, unless the context or subject matter otherwise requires, the term "improvement" means the renovation, remodeling, or alteration, but not the replacement, of an existing building or structure for use for commercial or residential purposes. An improvement for residential purposes is limited to a building or structure at least twenty-five years old. An addition constructed to an existing building or structure to enlarge it is an improvement for the purposes of this chapter.

57-02.2-03. Tax exemption for improvements to commercial and residential buildings and structures - Property owner's certificate.

Improvements to commercial and residential buildings and structures as defined in this chapter may be exempt from assessment and taxation for up to five years from the date of commencement of making the improvements, if the exemption is approved by the governing body of the city, for property within city limits, or the governing body of the county, for property outside city limits. The governing body of the city or county may limit or impose conditions upon exemptions under this section, including limitations on the time during which an exemption is allowed. A resolution adopted by the governing body of the city or county under this section may be rescinded or amended at any time. The exemption provided by this chapter shall apply only to that part of the valuation resulting from the improvements which is over and above the assessed valuation, exclusive of the land, placed upon the building or structure for the last assessment period immediately preceding the date of commencement of the improvements. Any person, corporation, limited liability company, association, or organization owning real property and seeking an exemption under this chapter shall file with the assessor a certificate setting out the facts upon which the claim for exemption is based. The assessor shall determine whether the improvements qualify for the exemption based on the resolution of the governing body of the city or county, and if the assessor determines that the exemption should apply, upon approval of the governing body, the exemption is valid for the prescribed period and shall not terminate upon the sale or exchange of the property but shall be transferable to subsequent owners. If the certificate is not filed as herein provided, the assessor shall regard the improvements as nonexempt and shall assess them as such.