CHAPTER 57-13
STATE BOARD OF EQUALIZATION

57-13-01. Membership of board.

The governor, state treasurer, state auditor, agriculture commissioner, and state tax commissioner constitute the state board of equalization. The governor must be chairman of the board and the tax commissioner is secretary.

57-13-02. Annual meeting to assess taxable property.

The state board of equalization shall meet annually on the second Tuesday in July at the office of the state tax commissioner and shall assess all of the taxable property which such board is required to assess pursuant to and in accordance with the provisions of section 4 of article X of the Constitution of North Dakota, as amended, and the statutes of this state.

57-13-03. Annual meeting to equalize taxable property.

The state board of equalization shall meet annually on the second Tuesday in August at the office of the state tax commissioner or, if deemed advisable by the board because of inadequate space, at such other place on the grounds of the state capitol as may be adequate, and then shall examine and compare the returns of the assessment of taxable property as returned by the several counties in the state, and shall proceed to equalize the same so that all assessments of similar taxable property are uniform and equal throughout the state at the full and true value thereof in money or at such percentage of the full and true value as may be required by law.

57-13-04. General duties and powers of board.

The state board of equalization shall equalize the valuation and assessment of property throughout the state, and has power to equalize the assessment, classification, and exemption status of property in this state between assessment districts of the same county, and between the different counties of the state. It shall:

1. Equalize the assessment of real property by adding to the aggregate value thereof in any assessment district in a county and in every county in the state in which the board may believe the valuation too low, such percentage rate as will raise the same to its proper value as provided by law, and by deducting from the aggregate assessed value thereof, in any assessment district in a county and every county in the state in which the board may believe the value too high, such percentage as will reduce the same to its proper value as provided by law. City lots must be equalized in the manner provided for equalizing other real property.
2. In making such equalization, add to or deduct from the aggregate assessed valuation of lands and city lots such percentage as may be deemed by the board to be equitable and just, but in all cases of addition to or deduction from the assessed valuation of any class of property in the several assessment districts in each county and in the several counties of the state, or throughout the state, the percentage rate of addition or deduction must be even and not fractional.
3. In equalizing individual assessments:
    a. If it believes an assessment to be too high, the board may reduce the assessment on any separate piece or parcel of real estate if the owner of the property has appealed such assessment to the board either by appearing personally or by a representative before the board or by mail or other communication to the board in which the property owner's reasons for asking for the reduction are made known to the board.
        (1) The board does not have authority to reduce an assessment until the owner of the property has established to the satisfaction of the board that the owner of the property had first appealed the assessment to the local equalization board of the taxing district in which the property was assessed

and to the county board of equalization of the county in which the property was assessed.

(2) The board does not have authority to reduce a new assessment provided for under section 57-14-08 until the owner of the property has established to the satisfaction of the board that the owner of the property had first appealed the assessment to the county board of equalization of the county in which the property was assessed.

b. If it believes an assessment to be too low, the board may increase the assessment on any separate piece or parcel of real estate. The secretary of the board, by mail sent to the last-known address of the owner to whom the property was assessed, shall notify such person of the amount of increase made by the board in such assessment.

c. The percentage of reduction or increase made by the board under this subsection in any assessment must be a whole-numbered amount and not a fractional amount.

4. Equalize the classification and taxable status of real property in any assessment district in a county and in every county in the state in which the board determines the classification or taxable status is incorrect or inequitable. The board may equalize property under this subsection if information is received indicating that property within the assessment district or county may be erroneously classified or the property's taxable status is incorrect. The board may also equalize property under this subsection if a property owner has properly appealed the property's classification or taxable status. In the case of an appeal, the owner of the property must establish to the satisfaction of the board that the owner of the property had first appealed the classification or taxable status determination to the local equalization board of the taxing district in which the property is situated and to the county board of equalization of the county in which the property is situated.

5. Provide for reviews of selected properties, parcels, or lots within each county by the tax commissioner, state supervisor of assessments, or their designee, to verify the accuracy of real property assessment listings, valuations, classifications, and eligibility for exemptions. The reviews must be examined by the state board of equalization at its annual meeting in August. The board may make necessary corrections in the property assessment listings, valuations, classifications, and eligibility for exemptions or direct the affected township, city, or county governing body to make the corrections ordered by the state board of equalization resulting from its examination of the reviews provided for in this section.

6. The board may prescribe rules and regulations necessary and advisable for the detailed administration of and compliance with this section.

7. If any county or county official fails to take action ordered by the state board of equalization under the authority granted to it in this chapter or chapter 57-02, the board may petition any judge of the district court to issue a restraining order, writ of mandamus, or other form of declaratory or injunctive relief requiring the county or county official to comply with the order of the board. The order or notice upon the petition shall be returnable not more than ten days after the filing of the petition. The petition must be heard and determined on the return day, or on such day thereafter as the court shall fix, having regard to the speediest possible determination of the case consistent with the rights of the parties. The county or county official must show cause why the county or county official should not comply with any directive or order of the board. The judgment must include costs in favor of the prevailing party.

8. The board may order a new assessment of any class of property, or of all the property, located within any political subdivision if, in its opinion, taxable property located within that subdivision has escaped assessment in whole or in part, has been assessed unfairly, or has not been assessed according to law. A new assessment ordered by the board must be made as provided in section 57-14-08.

9. A property owner may appeal the assessment, classification, and exempt status of the owner's property to the state board of equalization if the property owner was

foreclosed from attending assessment proceedings because of the failure to substantially comply with the notice requirements in chapters 57-02 or 57-12, or because of an irregularity in the township, city, or county assessment proceedings.

57-13-04.1. Residential and commercial property true and full value.

In equalizing valuation and assessment of property among assessment districts, the state board of equalization may not approve valuation and assessment in any taxing district in which the true and full value for residential and commercial property as assessed and equalized in that district exceeds the true and full value for those property classifications in that taxing district as determined by the sales ratio study.

57-13-05. Hearing before state board of equalization.

The board of county commissioners of any of the several counties, or any representative thereof in its place or stead, or any city council or board of city commissioners or any representative thereof, any township supervisors, or representative groups of taxpayers or taxpayers' associations, or any individual representing the same, may appear before the state board of equalization to be heard for the purpose of opposing any unreasonable or unjust increase or decrease in the valuation or determination of classification of the taxable property of the county, city, or township represented as equalized by the county board of equalization, opposing any increase or decrease in the valuation or determination of classification as proposed by the state board of equalization, or opposing a determination of taxable status made by a county board of equalization, to the end that all valuations or classifications of like taxable property may be uniform and equal throughout the state and exemption determinations made by a county board of equalization are found reasonable by the state board of equalization.

57-13-06. Presumption of regularity.

The proceedings of the state board of equalization must be presumed to be regular and the determination of such board may not be impaired, vitiated, nor set aside upon any ground not affecting substantially the reasonableness of the tax. The provisions in this title prescribing a date or period at or within which an act must be performed or a determination must be made by the state board of equalization must be deemed directory only, and no failure to perform any such act or make such determination at or within the time prescribed therefor affects the validity of such act or of any determination made by the state board of equalization unless it appears that substantial injustice has resulted therefrom.

57-13-07. Proceedings to be published - Abstract sent to county auditors.

The secretary shall keep a record of the proceedings of the board, which must be published by the secretary in an annual report. Upon final adjournment, the secretary shall transmit to each county auditor an abstract of such proceedings specifying the percentage added to or deducted from the valuation of the real property of each of the counties, in case an equal percentage has not been added to or deducted from each, and specifying also the percentage added to or deducted from the several classes of personal property in each of the counties in the state, and such other information as will enable each auditor properly to equalize or make corrections to the valuation or classification of taxable property or status with regard to exemption of property in the auditor's county, and to determine the taxable rates thereof.

57-13-08. Duty of county auditor after equalization by state board.

Upon receipt of the report of the proceedings of the state board of equalization, the county auditor shall add to or deduct from each tract or lot of real property in the auditor's county the required percentage of the valuation thereof, as it stands after the same has been equalized by the county board of equalization, adding in each case any fractional sum of fifty cents or more, and deducting in each case any fractional sum of less than fifty cents, so that the value of any separate tract or lot contains no fraction of a dollar. The county auditor shall revalue each tract or lot of real property that is reclassified by the state board of equalization using the proper valuation method for the class of taxable property as specified by the state board of

equalization. The county auditor shall adjust the status of a tract or lot to comply with any determinations made by the state board of equalization in which the tract or lot is found by the state board of equalization to be taxable or exempt.