

NORTH DAKOTA LEGISLATIVE COUNCIL

Tentative Agenda

TAXATION COMMITTEE

Tuesday, July 7, 1998
Roughrider Room, State Capitol
Bismarck, North Dakota

9:00 a.m. Call to order
Roll call
Consideration of minutes of previous meeting

COAL INDUSTRY STUDY

9:05 a.m. Update by the Legislative Council staff on the status of the consultant's study of the coal industry

9:10 a.m. Committee discussion and directives regarding the coal industry study

PROPERTY TAX EXEMPTIONS EFFECT ON SCHOOL DISTRICTS STUDY

9:15 a.m. Consideration of a bill draft to allow school districts to decide whether their levies apply to property exempted from taxation by a city or county

9:20 a.m. Consideration of a bill draft to allow school districts to participate in a nonvoting status in city or county decisions on property tax exemptions that would affect the school district

9:25 a.m. Presentation by Mr. Kevin Cooper, North Dakota Industrial Development Association, relating to businesses established with property tax exemptions for which the exemptions have expired

9:40 a.m. Comments by Ms. Bev Nielson, North Dakota School Boards Association, regarding the committee's study of the impact of property tax exemptions on school districts

9:50 a.m. Testimony of interested persons in attendance

10:00 a.m. Committee discussion and directives regarding the property tax exemptions effect on school districts study

10:15 a.m. Coffee break

CHARITABLE PROPERTY TAX EXEMPTION STUDY

10:30 a.m. Review of a letter from Mr. Arnold R. Thomas, North Dakota Healthcare Association, regarding the potential effect on North Dakota hospitals of enactment of a property tax exemption law similar to the recently enacted Pennsylvania law

10:40 a.m. Presentation by the Legislative Council staff of a bill draft to limit the property tax exemption for hospitals to portions of a building used primarily to provide inpatient services

10:45 a.m. Testimony of interested persons in attendance regarding property tax exemptions for buildings of charitable organizations

10:55 a.m. Committee discussion and directives

11:15 a.m. Consideration of a bill draft to limit the amount of property a nonprofit organization may own in North Dakota and review of the Governor's veto message for 1997 Senate Bill No. 2385

- 11:20 a.m. Presentation by the Legislative Council staff of a memorandum on constitutional considerations regarding limitations on the amount of property that may be acquired by a tax-exempt organization
- 11:30 a.m. Comments by Mr. Joe Satrom, Nature Conservancy, regarding Nature Conservancy acquisition and ownership of property in North Dakota
- 11:40 a.m. Testimony of interested persons in attendance regarding property tax exemptions for land of charitable organizations
- 11:50 a.m. Committee discussion and directives regarding the charitable property tax exemption study
- 12:00 noon Luncheon recess

PROPERTY TAX RELIEF STUDY

- 1:00 p.m. Presentation by the Legislative Council staff of a memorandum comparing property taxes levied, per student payments, per capita personal income, and state aid to political subdivisions 1986-97
- 1:10 p.m. Committee discussion and directives regarding the property tax relief study

FARM BUILDINGS PROPERTY TAX EXEMPTION STUDY

- 1:15 p.m. Presentation by Mr. Barry Hasti, State Supervisor of Assessments, regarding income considerations under the farm buildings property tax exemption
- 1:45 p.m. Consideration of a bill draft to make clear that beginning farmers are eligible for the farm buildings property tax exemption
- 1:55 p.m. Consideration of a bill draft to repeal a statutory provision requiring assessors to establish valuations for all exempt property
- 2:05 p.m. Consideration of a bill draft to eliminate considerations established by the North Dakota Supreme Court under the farm buildings property tax exemption and to add a limitation relating to processing of agricultural products
- 2:30 p.m. Comments of interested persons in attendance relating to the farm buildings property tax exemption study
- 2:45 p.m. Committee discussion and directives regarding the farm buildings property tax exemption study
- 3:00 p.m. Coffee break

AGRICULTURAL PROPERTY ASSESSMENT STUDY

- 3:15 p.m. Presentation by Mr. Dwight Aakre, Department of Agricultural Economics, North Dakota State University, regarding the effects of incorporating a production cost factor in the agricultural property valuation formula
- 3:45 p.m. Consideration of a bill draft to establish a classification of unproductive agricultural property for property assessment purposes
- 3:50 p.m. Consideration of a bill draft to restrict the changes in the capitalization rate in the agricultural property valuation formula for property tax purposes
- 4:00 p.m. Testimony of interested persons in attendance regarding the agricultural property valuation formula
- 4:10 p.m. Committee discussion and directives regarding the agricultural property assessment study
- 4:30 p.m. Adjourn

Committee Members

Representatives Wesley R. Belter (Chairman), Grant C. Brown, Chris Christopherson, William E. Gorder, Mick Grosz, Ralph L. Kilzer, Kenneth Kroeplin, Edward H. Lloyd, Ronald Nichols, Alice Olson, Dennis J. Renner, Earl Rennerfeldt, Arlo E. Schmidt, Ben Tollefson
Senators Randel Christmann, Layton Freborg, Meyer Kinnoin, Ed Kringstad, Randy A. Schobinger, Vern Thompson, Herb Urlacher