

1999 HOUSE FINANCE AND TAXATION

HB 1055

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1055

House Finance and Taxation Committee

Conference Committee

Hearing Date January 12, 1999

Tape Number	Side A	Side B	Meter #
1	x		.5 - 6
Committee Clerk Signature <i>Jamie Stein</i>			

Minutes:

REP. BELTER Opened the hearing.

JOHN WALSTAD, ATTY, LEGISLATIVE COUNCIL, Appeared before the committee to explain the bill relating to assessments of real property that is exempt from property taxes. He stated this bill didn't make any big changes. It deals with a situation which came up in one county where the assessment officials probably misread by what was intended by some legislation which was enacted.

REP. WINRICH Asked the question in the case of someday farm buildings are taxable if they lose their tax exemption under some of the other laws, why is there such an objection to establishing a value on those buildings even if they are tax exempt.

JOHN WALSTAD The provision here says that the assessments are not to be established for farm buildings that are exempt, if they are taxable, then obviously a valuation would have to be established. As you indicated there are some other bills in relating to whether or not farm buildings are eligible for that exemption. The valuation of farm property that is not taxable has an irritating affect to the property owners. The perception is you are not just putting a value on that property, you are doing what comes right before taxing that property. I think that is what leads to the concern. The cost of doing that is a concern also.

REP. FROELICH Brought up the fact that the assessor in his county thought that churches had to be assessed.

JOHN WALSTAD Stated there is no requirement under current law to evaluate church property.

With no further testimony, the hearing was closed.

COMMITTEE ACTION Tape #1 Side A, Meter #19.8

REP. RENNER Made a motion for a DO PASS

REP. RENNERFELDT Second the motion. MOTION CARRIED

14 Yes 1 No 0 Absent

REP. WIKENHEISER Was given the floor assignment.

COMMITTEE DISCUSSION Tape #2, Side A, Meter #39.5

REP. FROELICH Requested to discuss this bill further even though it had been acted on.

He stated his county tax assessor was still convinced they had to assess churches and cemeteries.

They would like to know the reason for this if the evaluation is not going to be used.

REP. BELTER Felt some people were looking for things for other people to do, and that is what happened in this situation. It happened with farm properties last year, now apparently we have another situation where they decided to have them do the churches.

REP. FROELICH Asked if it was possible to get Mr. Walstad in to clarify the situation.

REP. BELTER Stated the bill will be held until everyone is satisfied with passing it out of committee.

COMMITTEE ACTION Tape #2, Side A, Meter #41.4

RICK CLAYBURGH, STATE TAX COMMISSIONER Appeared before the committee to answer questions regarding HB 1055 and HB 1056. BARRY HASTI, STATE TAX COMMISSIONER'S OFFICE, also appeared before the committee to answer questions.

One of the questions was whether churches need to be assessed or not.

COMMISSIONER CLAYBURGH Stated state law is clear for mill levy determinations. There are two types of property that must be valued. In one of those valuations, churches must be valued. The confusion comes up when people think valuation and taxation are the same thing.

BARRY HASTI Intervened, stating there were to sections of the code which deal with the valuation of exempt property. Section 57-02-14 which goes back to the eighteen hundreds, which says the assessor should value all exempt property, except governmentally owned

properties. The second section in code that deals with the evaluation with exempt property, other than governmentally owned properties, is 57-15-01.1. That is for charitable properties and exemptions that are discretionary at a local level. Charitable properties are covered by a separate subsection 57-02-08. The exemption for churches is in 57-02-08, subsections 7 and 9. The valuation of churches is not used in the calculation of the maximum levies. The valuations of other charitable properties, hospitals, nursing homes, YMCA, the value is used by the auditor only for the purposes of calculating the maximum levy that is allowed by the taxing district. That levy than, is applied only to those properties that are taxable.

57-02-14 came before the interium committee, initially, to repeal that section. At the hearing on July 7, an amendment was agreed to, that you would amend it in such a way, that exempt farm properties and exempt farm residences would not have to be valued. That is how it came out of the interium committee into the legislature.

REP. KROEBER Again asked whether the assessors have to go out and assess all of this land, and your answer is Yes?

COMMISSIONER CLAYBURGH Under this bill, they will not have to assess farm buildings. The urban assessors do it anyway, it is mostly a concern with the rural assessors.

REP. WINRICH Asked what the affect would be taking property off the assessment rolls on that computation.

BARRY HASTI Stated, in order to give the political subdivisions the revenue they might need, it was allowed, that they may levy the amount they have in the base year plus an amount that property would pay had it been taxable in a base year. In order to accurately measuring that, they

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House Finance and Taxation Committee

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need to include the value of that exempt property in that calculation. That is why it is in that particular bill.

Committee members asked several questions until they were satisfied with passing the bill out of committee as it had been voted on.

THE BILL WAS PASSED OUT OF COMMITTEE.

Please type or use black pen to complete

Date 1-12-99

Roll call vote # 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1055

House HOUSE FINANCE & TAX Committee

Subcommittee on _____

Conference Committee

} Identify or check where appropriate

Legislative Council Amendment Number _____

Action Taken Do pass

Motion Made By Rep. Renner Seconded By Rep. Rennerfeldt

Representatives	Yes	No	Representatives	Yes	No
BELTER	✓		WINRICH	✓	
RENNERFELDT	✓				
CLARK	✓				
FROELICH		✓			
GRANDE	✓				
GROSZ	✓				
HERBEL	✓				
KROEBER	✓				
MICKELSON	✓				
NICHOLAS	✓				
RENNER	✓				
SCHMIDT	✓				
WARNER	✓				
WIKENHEISER	✓				

Total 14 1
(Yes) (No)

Absent 0

Floor Assignment Rep Wikenheiser

If the vote is on an amendment, briefly indicate intent:

DO NOT USE HIGHLIGHTER ON ANY FORMS

REPORT OF STANDING COMMITTEE (410)
January 14, 1999 8:14 a.m.

Module No: HR-08-0574
Carrier: Wikenheiser
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1055: Finance and Taxation Committee (Rep. Belter, Chairman) recommends DO PASS (14 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1055 was placed on the Eleventh order on the calendar.

1999 SENATE FINANCE AND TAXATION

HB 1055

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1055

Senate Finance and Taxation Committee

Conference Committee

Hearing Date 02-03-99

Tape Number	Side A	Side B	Meter #
HB 1055	X		0-1082
Committee Clerk Signature <i>Shila Wed</i>			

Minutes:

Sen Urlacher opened the hearing on 1055, roll taken. A BILL RELATING TO ASSESSMENT OF REAL PROPERTY THAT IS EXEMPT FROM PROPERTY TAXATION.

John Walstad-Legislative Council. This bill arose during discussion in the interim. Thought valuations had to be established for farm buildings and the problem can be traced to the section of law in this bill. this law has been on the books since 1897. It requires assessment officials to put a value on everything that is not taxable with exceptions of governmental property. That has not been done, as you know. They assess stuff they can get tax revenues from. Property of charitable organizations, 2 year exemptions granted by county, this has to be valued under another section of the law. This section is still there, even though it is widely ignored. This creates a

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Senate Finance and Taxation Committee

Bill/Resolution Number Hb 1055

Hearing Date 2-3-99

section for farm buildings so they don't have to be valued if they are non taxable, it makes an exception. If they are taxable they would have to be valued for that purpose. Two categories-1. Assessing certain kinds of property is not affected by this. This is a broader section. It covers more property than is required to be assessed under that under provision. What is required to be assessed, taking farm buildings out of here is the biggest category process. Churches are the next biggest item. This bill intends that an assessor don't have to put value on farm buildings, if they are not taxable.

Barry Hasti- - Supervisor of Assessments. This section of the code says assessor should value exempt properties. The other section says this is how we will use these values. Passed as original introduced in the House.

Sen Urlacher and more testimony or support , or opposition? Closed the hearing

DISCUSSION ON 1055 - TAPE 643 - 1082 - 2-3-99. MOTION MADE BY SEN.

WARDNER TO DO PASS AND SEN CHRISTMANN SECONDED. ROLL TAKEN 7 Y 0 N

CARRIER SEN. KROEPLIN

Date: 2/3/99
Roll Call Vote #: ①

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1055

Senate Senate Finance and Taxation Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Sen. Gardner Seconded By Sen. Christmann

Senators	Yes	No	Senators	Yes	No
SENATOR URLACHER	✓				
SENATOR CHRISTMANN	✓				
SENATOR SCHOBINGER	✓				
SENATOR STENEHJEM	✓				
SENATOR WARDNER	✓				
SENATOR KINNOIN	✓				
SENATOR KROEPLIN	✓				

Total (Yes) 7 No 0

Absent _____

Floor Assignment Sen Kroeplin

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 3, 1999 4:25 p.m.

Module No: SR-22-1806
Carrier: Kroeplin
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1055: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1055 was placed on the Fourteenth order on the calendar.

1999 TESTIMONY

HB 1055

Rep. John Warner
HB 1055
informational purposes only
1

57-02-08. Property exempt from taxation.

All property described in this section to the extent herein limited shall be exempt from taxation:

1. All property owned exclusively by the United States except any such property which the state and its political subdivisions are authorized by the laws of the United States to tax.

2. All property owned by this state, but no lands contracted to be sold by the state shall be exempt.

3. All property belonging to any political subdivision, except that land purchased by counties at tax sales shall be taxed until the period of redemption from such tax sale has been terminated.

4. Property of Indians where the title of such property is inalienable without the consent of the United States secretary of the interior.

5. All lands used exclusively for burying grounds or cemeteries.

6. All property belonging to schools, academies, colleges, or other institutions of learning, not otherwise used with a view to profit, and all dormitories and boarding halls, including the land upon which they are situated, owned and managed by any religious corporation for educational or charitable purposes for the use of students in attendance upon any educational institution, if such dormitories and boarding halls are not managed or used for the purpose of making a profit over and above the cost of maintenance and operation.

7. All houses used exclusively for public worship, and lots or parts of lots upon which such buildings are erected, and any dwellings belonging to religious organizations intended and ordinarily used for the residence of the bishop, priest, rector, or other minister in charge of the services of the church, together with the lots upon which the same are situated.

8. All buildings belonging to institutions of public charity, including public hospitals and nursing homes licensed pursuant to section 23-16-01 under the control of religious or charitable institutions, used wholly or in part for public charity, together with the land actually occupied by such institutions not leased or otherwise used with a view to profit, and this includes any dormitory, dwelling, or residential-type structure, together with necessary land on which such structure is located, owned by a religious or charitable organization recognized as tax exempt under section 501(c)(3) of the United States Internal Revenue Code which is occupied by members of said organization who are subject to a religious vow of poverty and devote and donate substantially all of their time to the religious or charitable activities of the owner.

9. All real property, not exceeding two acres [.81 hectare] in extent, owned by any religious corporation or organization, upon which there is a building used for the religious services of the organization, or upon which there is a dwelling with usual outbuildings, intended and ordinarily used for the residence of the bishop, priest, rector, or other minister in charge of services, must be deemed to be property used exclusively for religious services, and exempt from taxation, whether the real property consists of one tract or more. The exemption for a building used for the religious services of the owner continues to be in effect if the building in whole, or in part, is rented to another otherwise tax-exempt corporation or organization, provided no profit is realized from the rent. All real property owned by any religious corporation or organization and used as a parking lot by persons attending religious services is exempt from taxation. All taxes assessed or levied on any of the property, while the property is used for religious purposes, are void.

10. Property of an agricultural fair association duly incorporated for the purpose of holding agricultural fairs, and not conducted for the profit of any of its members or stockholders; provided, that all property described in this subsection shall be subject to taxation for the cost of fire protection services furnished by any municipal corporation in which said property is located.

11. Property owned by lodges, chapters, commanderies, consistories, farmers' clubs, commercial clubs, and like organizations, and associations, grand or subordinate, not organized for profit, and used by them for places of meeting and for conducting their business and ceremonies, and all property owned by any fraternity, sorority, or organization of college students if such property is used exclusively for such purposes; provided, further, that any portion of such premises not exclusively used for places of meeting and conducting the business and ceremonies of such organization shall be subject to taxation.

Provided, further, that if any such organization as contemplated by this subsection is licensed for the sale of alcoholic beverages as defined by the statutes of the state of North Dakota, such portion of such premises where such alcoholic beverages are consumed or sold shall be deemed not to be so used exclusively for conduct of its business and meeting if such beverages are sold at a profit.

Provided, further, that if food other than that served at lodge functions and banquets and food sold or consumed in any fraternity or sorority house, is sold at a profit on the premises, that portion of the premises where such food is sold at a profit shall be deemed not to be used exclusively for places of meeting or conducting the business and ceremonies of such organization; provided, that all property described in this subsection shall be subject to taxation for the cost of fire protection services furnished by any municipal corporation in which said property is located.

12. Repealed by S.L. 1983, ch. 595, § 3.

13. All land used as a public park or monument ground belonging to any military organization, and not used for gain.

14. The armory, and land or lots upon which situated, owned by a regiment, battalion, or company of the North Dakota national guard, and used for military purposes by such organization.

15. a. All farm structures and improvements located on agricultural lands. This subsection shall be construed to exempt farm buildings and improvements only, and shall not be construed to exempt from taxation industrial plants, or structures of any kind not used or intended for use as a part of a farm plant, or as a farm residence. Any structure or improvement used in connection with a retail or wholesale business other than farming, any structure or improvement located on platted land within the corporate limits of a city, or any structure or improvement located on railroad operating property subject to assessment under chapter 57-05 is not exempt under this subsection.

b. It is the intent of the legislative assembly that this exemption as applied to a residence shall be strictly construed and interpreted to exempt only a residence which is situated on a farm and which is occupied or used by a person who is a farmer and that the exemption shall not be applied to property which is occupied or used by a person who is not a farmer. For purposes of this subdivision:

(1) "Farm" means a single tract or contiguous tracts of agricultural land containing a minimum of ten acres [4.05 hectares] and for which the farmer, actually farming the land or

engaged in the raising of livestock or other similar operations normally associated with farming and ranching, has not received more than fifty percent of annual net income from nonfarm income, including that of a spouse if married, during each of the three preceding calendar years.

(2) "Farmer" means an individual who normally devotes the major portion of time to the activities of producing products of the soil, poultry, livestock, or dairy farming in such products' unmanufactured state and has not received more than fifty percent of annual net income from nonfarm income, including that of a spouse if married, during each of the three preceding calendar years. "Farmer" includes an individual who is retired because of illness or age and who at the time of retirement owned and occupied as a farmer as defined above the residence in which the person lives and for which the exemption is claimed.

(3) "Net income from farming activities" described in paragraph 2 means taxable income from those activities as computed for income tax purposes pursuant to chapter 57-38 adjusted to include the following:

(a) The difference between gross sales price less expenses of sale and the amount reported for sales of agricultural products for which the farmer reported a capital gain.

(b) Interest expenses from farming activities which have been deducted in computing taxable income.

(4) When exemption is claimed under this subdivision for a residence, the assessor may require that the occupant of the residence who it is claimed is a farmer provide to the assessor for the year or years specified by the assessor a written statement in which it is stated that fifty percent or more of the net income of that occupant was, or was not, net income from farming activities; provided, that if that occupant is married and both spouses occupy the residence, it shall be stated in the written statement whether their net income from farming activities was fifty percent or more of their combined net income from all sources.

(5) In addition to any of the provisions of this subsection or any other provision of law, a residence situated on agricultural land is not exempt for the year if it is occupied by an individual engaged in farming who had nonfarm income, including that of a spouse if married, of more than forty thousand dollars during each of the three preceding calendar years. The provisions of this paragraph do not apply to an individual who is retired because of illness or age and who at the time of retirement owned and occupied as a farmer the residence in which the person lives and for which the exemption is claimed.

(6) For purposes of this section, "livestock" includes "nontraditional livestock" as defined in section 36-01-00.1.

(7) A farmer operating a bed and breakfast facility in the farm residence occupied by that farmer is entitled to the exemption under this section for that residence if the farmer and the residence would qualify for exemption under this section except for the use of the residence as a bed and breakfast facility.

16. Property now owned, or hereafter acquired, by a corporation organized, or hereafter created, under the laws of this state for the purpose of promoting athletic and educational needs and uses at any state educational institution in this state, and not organized for profit.

17. Moneys and credits, including shares of corporate stock and membership interests in limited liability companies, except moneyed capital which is so invested or used as to come into direct competition with money invested in bank stock.

18. and 19. Repealed by S.L. 1983, ch. 595, § 3.

20. Fixtures, buildings, and improvements up to the amount of valuation specified, when owned and occupied as a homestead, as hereinafter defined, by any of the following persons:

a. A paraplegic disabled veteran of the United States armed forces or any veteran who has been awarded specially adapted housing by the veterans' administration, or the unremarried surviving spouse if such veteran is deceased.

b. A disabled veteran of the United States armed forces who was discharged under honorable conditions or who has been retired from the armed forces of the United States with an armed forces service-connected disability of fifty percent or greater, or the unremarried surviving spouse if the veteran is deceased, if the income of the veteran and the spouse, or if the veteran is deceased the income of the unremarried surviving spouse, in the calendar year prior to the year for which the exemption is claimed did not exceed the maximum amount of income provided in section 57-02-08.1 for receiving a homestead credit under that section exclusive of any compensation or pension for service-connected disability from the United States government.

c. Any permanently and totally disabled person who is permanently confined to use of a wheelchair, or, if deceased, the unremarried surviving spouse of a permanently and totally disabled person. If the spouse of a permanently and totally disabled person owns the homestead or if it is jointly owned by them, the same reduction in assessed valuation applies as long as both reside thereon. The provisions of this subdivision do not reduce the liability for special assessments levied upon the homestead. The phrase "permanently confined to use of a wheelchair" means that the person cannot walk with the assistance of crutches or any other device and will never be able to do so and that a physician selected by the local governing board has so certified.

Any person claiming an exemption under this subsection for the first time shall file with the county auditor an affidavit showing the facts herein required and a description of the property and, in addition, a disabled veteran claiming exemption under subdivision b shall also file with the affidavit a certificate from the United States veterans' administration, or its successors, certifying to the amount of the disability; the affidavit and certificate must be open for public inspection. Any person shall thereafter furnish to the assessor or other assessment officials when requested to do so any information which is believed will support the claim for exemption for any subsequent year.

For purposes of this subsection, "homestead" has the meaning provided in section 47-18-01 except that it also applies to any person who otherwise qualifies under the provisions of this subsection whether or not the person is the head of a family. The board of county commissioners is hereby authorized to cancel the unpaid taxes for any year in which the veteran has held title to the exempt property.

21. Repealed by S.L. 1983, ch. 595, § 3.

22. All or any part of fixtures, buildings, and improvements upon any nonfarmland up to a taxable valuation of five thousand dollars, owned and occupied as a home by a blind person. Residential homes owned by the spouse of a blind person, or jointly owned by a blind person and spouse, shall also be exempt within the limits of this subsection as long as the blind person resides in the home. For purposes of this subsection, a blind person shall be defined as one who is totally blind, has visual acuity of not more than 20/200 in the better eye with correction, or whose vision is limited in field so that the widest diameter subtends an angle no greater than twenty degrees. The exemption provided by this subsection extends to the entire building

classified as residential, and owned and occupied as a residence by a person who qualifies for the exemption as long as the building contains no more than two apartments or rental units which are leased.

23. All, or any portion of structural improvements other than paving and surfacing to land used exclusively for the business of operating an automobile parking lot within a city open for general public patronage. Where a portion of the structure is exempt from taxation as being open for general public patronage, the amount of such exemption shall be computed by determining the value of the public parking area in proportion to the total value of the structure.

24. Repealed by S.L. 1983, ch. 595, § 3.

25. All personal property is exempt except:

a. Personal property of entities, other than railroads, required by section 4 of article X of the Constitution of North Dakota to be assessed by the state board of equalization.

b. Any property that is subjected to a tax which is imposed in lieu of ad valorem taxes.

c. Any particular kind or class of personal property, including mobile homes or housetrailer, that is subjected to a tax imposed pursuant to any other provision of law.

26. Fixtures, buildings, and improvements when owned and occupied as a homestead, as hereinafter defined, by a paraplegic disabled person, or if the person is deceased the unremarried spouse, if the income from all sources of the person and spouse, or if the person is deceased the income from all sources of the unremarried surviving spouse, in the calendar year prior to the year for which the exemption is claimed did not exceed the maximum amount of income provided in section 57-02-08.1 for receiving a homestead credit under that section. To obtain the exemption for the first time, a certificate from a medical doctor who is approved by the board of county commissioners, accompanied by an affidavit, showing the facts herein required and a description of the property, must be filed with the county auditor. The affidavit and accompanying certificate must be opened to public inspection. Any person claiming the exemption for any year after the first year shall furnish to the assessor or other assessment officials when requested to do so any information which the person believes will support the claim for the exemption for any subsequent year. For purposes of this subsection, "homestead" has the meaning provided in section 47-18-01 except that it also applies to any person who otherwise qualifies under the provisions of this subsection whether or not the person is the head of a family. The board of county commissioners is hereby authorized to cancel the unpaid taxes for any year in which the person has held title to the exempt property.

27. Installations, machinery, and equipment of systems in new or existing buildings or structures, designed to provide heating or cooling or to produce electrical or mechanical power, or any combination of these, or to store any of these, by utilization of solar, wind, or geothermal energy; provided, that if the solar, wind, or geothermal energy device is part of a system which uses other means of energy, only that portion of the total system directly attributable to solar, wind, or geothermal energy shall be exempt. Provided, however, that any exemptions granted by this subsection shall be valid for a five-year period following installation of any such system. For the purposes of this subsection, solar or wind energy devices shall have the meaning provided in section 57-38-01.8; geothermal energy device means a system or mechanism or series of mechanisms designed to provide heating or cooling or to produce electrical or mechanical power, or any combination of these, by a method which extracts or converts the energy naturally occurring beneath the earth's surface in rock structures, water, or steam.

28. All fixtures, buildings, and improvements owned by any cooperative or nonprofit corporation organized under the laws of this state and used by it to furnish potable water to its members and customers for uses other than the irrigation of agricultural land.

29. Property to which title is held by a city pursuant to chapter 40-57 which is leased to an entity described in subsection 8 and used by the entity as provided in subsection 8 or subleased to a public school district for educational purposes; provided, that the entity is qualified as an exempt organization under section 501(c)(3) of the United States Internal Revenue Code of 1954, as amended.

30. Property, but not including property used for residential purposes, owned by an organization described in subsection 9 and leased to a public school district for educational purposes; provided, that the property had previously been owned and occupied by the organization for an exempt purpose described in subsection 9 for a period of at least five years.

31. All group homes owned by nonprofit corporations, not organized with a view to profit and recognized as tax exempt under section 501(c)(3) of the United States Internal Revenue Code [26 U.S.C. 501(c)(3)], including those for persons with developmental disabilities as defined in section 25-01.2-01, and the real property upon which they are located during the period in which the group homes are under construction or in a remodeling phase and while they are used as group homes. For the purposes of this subsection, the term "group home" means a community-based residential home which provides room and board, personal care, habilitation services, or supervision in a family environment, and which, once established is licensed by the appropriate North Dakota licensing authority.

32. Minerals in place in the earth which at the time of removal from the earth are then subject to taxes imposed under chapter 57-51 or 57-61.

33. Property used for athletic or recreational activities when owned by a political subdivision and leased to a nonprofit corporation organized for the purpose of promoting public athletic or recreational activities.

34. Any building located on land owned by the state if the building is used at least in part for academic or research purposes by students and faculty of a state institution of higher education.

35. Up to seventy-five thousand dollars of the true and full value of all new single-family residential property, exclusive of the land on which it is situated, is exempt from taxation for the first two taxable years after the taxable year in which construction is begun if all of the following conditions are met:

a. The governing body of the city, for property within city limits, or the governing body of the county, for property outside city limits, has approved the exemption of the property by resolution. A resolution adopted under this subsection may be rescinded or amended at any time. The governing body of the city or county may limit or impose conditions upon exemptions under this subsection, including limitations on the time during which an exemption is allowed.

b. Special assessments and taxes on the property upon which the residence is situated are not delinquent.

c. The first owner after the builder resides on the property, or the builder still owns the property. For purposes of this subsection, "builder" includes a person who builds that person's own residence.

For purposes of this subsection, "single-family residential property" does not include condominium or townhouse property.

36. Up to seventy-five thousand dollars of the true and full value of each unit of all new condominium and townhouse residential property, exclusive of the land on which it is situated, is exempt from taxation for the first two taxable years after the taxable year in which construction is begun if all of the following conditions are met:

a. The governing body of the city, for property within city limits, or the governing body of the county, for property outside city limits, has approved the exemption of the property by resolution. A resolution adopted under this subsection may be rescinded or amended at any time. The governing body of the city or county may limit or impose conditions upon exemptions under this subsection, including limitations on the time during which an exemption is allowed.

b. Special assessments and taxes on the property upon which the condominium or townhouse is situated are not delinquent.

c. The first owner, after the builder, who resides in the condominium or townhouse unit still owns the property.

37. The governing body of the city, for property within city limits, or of the county, for property outside city limits, may grant a property tax exemption for the portion of fixtures, buildings, and improvements, used primarily to provide early childhood services by a corporation, limited liability company, or organization licensed under chapter 50-11.1. However, this exemption is not available for property used as a residence.

38. a. A pollution abatement improvement. As used in this subsection, "pollution abatement improvement" means property, exclusive of land and improvements to the land such as ditching, surfacing, and leveling, that is:

(1) Part of an agricultural or industrial facility which is used for or has for its ultimate purpose, the prevention, control, monitoring, reducing, or eliminating of pollution by treating, pretreating, stabilizing, isolating, collecting, holding, controlling, measuring, or disposing of waste contaminants; or

(2) Part of an agricultural or industrial facility and required to comply with local, state, or federal environmental quality laws, rules, regulations, or standards.

b. The exemption under this subsection applies only to that portion of the valuation of property attributable to the pollution abatement improvement on which construction or installation was commenced after December 31, 1992, and does not apply to the valuation of any property that is not a necessary component of the pollution abatement improvement. The governing body of the city, for property within city limits, or the governing board of the county, for property outside city limits, shall determine whether the property proposed for exemption is a pollution abatement improvement and may grant an exemption for the pollution abatement improvement based upon the requirements of this subsection.

39. The leasehold interest in property owned by the state which has been leased for pasture or grazing purposes or upon which payments in lieu of property taxes are made by the state.

Source: Pol. C. 1877, ch. 28, § 2; R.C. 1895, § 1177; S.L. 1897, ch. 126, § 5; R.C. 1899, § 1180; S.L. 1901, ch. 152, § 1; 1901, ch. 160, §§ 1 to 4; R.C. 1905, §§ 1484, 1485; S.L. 1907, ch. 218, § 1; 1911, ch. 290, § 1; 1913, ch. 280, § 1; C.L. 1913, §§ 2078, 2079; S.L. 1915, ch. 255, § 1; 1917, ch. 230, § 1; 1919, ch. 223, § 1; 1919 Sp., ch. 62, § 1; 1921, ch. 122, § 1; 1923, ch. 307, § 1; 1923, ch. 308, § 1; 1925 Supp., §§ 2078, 2078a3; S.L. 1929, ch. 230, § 1; 1929, ch. 246, § 1; 1931, ch. 295, § 1; 1931, ch. 296, § 1; 1935, ch. 224, § 2; 1941, ch. 270, § 5; 1941, ch. 282, § 3;