

Fifty-ninth
Legislative Assembly
of North Dakota

Introduced by

1 A BILL for an Act to amend and reenact section 57-02-27 of the North Dakota Century Code,
2 relating to valuation of residential property for property tax assessment purposes; and to
3 provide and effective date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 57-02-27 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-02-27. Property to be valued at a percentage of assessed value - Classification**
8 **of property - Limitation on valuation of annexed agricultural lands.** All property subject to
9 taxation based on the value thereof must be valued as follows:

- 10 1. All residential property to be valued at ~~nine~~ eight percent of assessed value. If any
11 property is used for both residential and nonresidential purposes, the valuation
12 must be prorated accordingly.
- 13 2. All agricultural property to be valued at ten percent of assessed value as
14 determined pursuant to section 57-02-27.2.
- 15 3. All commercial property to be valued at ten percent of assessed value.
- 16 4. All centrally assessed property to be valued at ten percent of assessed value
17 except as provided in section 57-02-27.3.

18 The resulting amounts must be known as the taxable valuation. In determining the assessed
19 value of real and personal property, except agricultural property, the assessor may not adopt a
20 lower or different standard of value because the same is to serve as a basis of taxation, nor
21 may the assessor adopt as a criterion of value the price at which said property would sell at
22 auction, or at forced sale, or in the aggregate with all the property in the town or district, but the
23 assessor shall value each article or description by itself, and at such sum or price as the
24 assessor believes the same to be fairly worth in money. In assessing any tract or lot of real

1 property, there must be determined the value of the land, exclusive of improvements, and the
2 value of all taxable improvements and structures thereon, and the aggregate value of the
3 property, including all taxable structures and other improvements, excluding the value of crops
4 growing upon cultivated lands. In valuing any real property upon which there is a coal or other
5 mine, or stone or other quarry, the same must be valued at such a price as such property,
6 including the mine or quarry, would sell for at a fair voluntary sale for cash. Agricultural lands
7 within the corporate limits of a city which are not platted constitute agricultural property and
8 must be so classified and valued for ad valorem property tax purposes until such lands are put
9 to another use. Agricultural lands, whether within the corporate limits of a city or not, which
10 were platted and assessed as agricultural property prior to March 30, 1981, must be assessed
11 as agricultural property for ad valorem property tax purposes until put to another use. Such
12 valuation must be uniform with the valuation of adjoining unannexed agricultural land.

13 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
14 December 31, 2004.