Sixtieth Legislative Assembly of North Dakota
In Regular Session Commencing Wednesday, January 3, 2007

HOUSE BILL NO. 1312
(Representatives Conrad, Wolf)
(Senator Horne)

AN ACT to create and enact section 57-15-63.1 of the North Dakota Century Code, relating to relevy by a school district of property taxes omitted by mistake; to provide an effective date; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Section 57-15-63.1 of the North Dakota Century Code is created and enacted as follows:

57-15-63.1. (Effective through December 31, 2011) Mistake in levy - Levy increase in later year - Levy reverts.

1. Notwithstanding sections 57-15-01.1 and 57-15-14, if a mistake occurred in the 2006 tax year which resulted in a reduction of twenty mills or more in the amount a school district intended to be levied, as of the October tenth deadline under section 57-15-31.1, not being levied and the mistake has been brought to the attention of the county auditor or county treasurer of any county with land in the school district by February 1, 2007, the taxing district may include the amount that was mistakenly not levied in the taxing district's budget and general fund levy for a single tax year, or spread among one or more tax years, in tax years 2007 through 2011.

2. If the resulting general fund levy for the tax year is above one hundred eighty-five mills, the taxing district need not comply with chapter 57-16.

3. After a tax year in which a taxing district's levy increase authority under this section is exhausted, the taxing district's general fund levy must revert to the general fund levy as it would have been determined without application of this section, plus any increase authorized by law or the taxing district may elect to apply subsection 5 to determine its general fund levy limitation.

4. Before any taxable year may be used as a "base year" under section 57-15-01.1 or a "prior school year" under section 57-15-14 and before any taxable year may be used as a basis for allocation of funds among school districts, any amount included in that taxable year's levy under this section must be deducted.

5. A school district that uses this section to determine its general fund levy may use the amount it intended to levy in the 2006 tax year as its "base year" under section 57-15-01.1 or as its "prior school year" under section 57-15-14.

6. In any allocation of funds among school districts in which the school district mill rate or levy in dollars is used, the 2006 tax year mill rate and levy in dollars for a school district eligible for a levy increase under this section must be replaced by the mill rate and levy in dollars that would have been levied without the mistake and the 2007 through 2011 tax year mill rates and levies in dollars for a school district applying a levy increase under this section must be reduced to the amount of the mill rate and levy in dollars without the levy increase under this section. The school district shall notify the tax commissioner and superintendent of public instruction of the amount the correct 2006 tax year mill rate and levy in dollars would have been.

SECTION 2. EFFECTIVE DATE - EXPIRATION DATE. This Act is effective for taxable years beginning after December 31, 2006, and before January 1, 2012, and is thereafter ineffective.

_____   _____
Speaker of the House   President of the Senate

_____   _____
Chief Clerk of the House   Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixtieth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1312.

House Vote: Yeas   87   Nays   4   Absent   3

Senate Vote: Yeas   45   Nays   1   Absent   1

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Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2007.

Approved at _____ M. on _____, 2007.

_____
Governor

Filed in this office this _____ day of _____, 2007,

at _____ o'clock _____ M.

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Secretary of State