

1 A BILL for an Act to amend and reenact subsections 35 and 36 of section 57-02-08 and section  
2 57-02-11 of the North Dakota Century Code, relating to property tax exemptions for new  
3 construction; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Subsections 35 and 36 of section 57-02-08 of the North  
6 Dakota Century Code are amended and reenacted as follows:

7 35. Up to ~~seventy-five~~ one hundred fifty thousand dollars of the true and full value of all  
8 new single-family residential property, exclusive of the land on which it is situated,  
9 is exempt from taxation for the ~~first two taxable years after the taxable year in~~  
10 which construction is ~~begun~~ completed and the residence is occupied and the next  
11 two taxable years if all of the following conditions are met:

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15 subsection may be rescinded or amended at any time.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

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

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

- 1 For purposes of this subsection, "single-family residential property" does not  
2 include condominium or townhouse property.
- 3 36. Up to ~~seventy-five~~ one hundred fifty thousand dollars of the true and full value of  
4 each unit of all new condominium and townhouse residential property, exclusive of  
5 the land on which it is situated, is exempt from taxation for the ~~first two taxable~~  
6 ~~years after the taxable year in which construction is begun~~ completed and the unit  
7 is occupied and the next two taxable years if all of the following conditions are met:
- 8 a. The governing body of the city, for property within city limits, or the governing  
9 body of the county, for property outside city limits, has approved the  
10 exemption of the property by resolution. A resolution adopted under this  
11 subsection may be rescinded or amended at any time. The governing body of  
12 the city or county may limit or impose conditions upon exemptions under this  
13 subsection, including limitations on the time during which an exemption is  
14 allowed.
- 15 b. Special assessments and taxes on the property upon which the condominium  
16 or townhouse is situated are not delinquent.
- 17 e. ~~The first owner, after the builder, who resides in the condominium or~~  
18 ~~townhouse unit still owns the property.~~

19 **SECTION 2. AMENDMENT.** Section 57-02-11 of the North Dakota Century Code is  
20 amended and reenacted as follows:

21 **57-02-11. Listing of property - Assessment thereof.** Property must be listed and  
22 assessed as follows:

- 23 1. All real property subject to taxation must be listed and assessed every year with  
24 reference to its value, on February first of that year.
- 25 2. Whenever after the first day of February and before the first day of April in any  
26 year, it is made to appear to the assessor by the oath of the owner that any  
27 building, structure, or other improvement, or tangible personal property, which is  
28 listed for taxation for the current year has been destroyed or injured by fire, flood,  
29 or tornado, the assessor shall investigate the matter and deduct from the valuation  
30 of the property of the owner of such destroyed property an amount which in the  
31 assessor's judgment fairly represents such deduction as should be made.

1           3. Newly constructed residential property that has never been occupied may not be  
2           assessed until it is occupied or until the second taxable year after the taxable year  
3           in which construction was completed, whichever occurs first. This subsection does  
4           not apply to land and does not apply to improvements to previously occupied  
5           residential property.

6           **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
7           December 31, 2008.