SECOND ENGROSSMENT

Sixty-first
Legislative Assembly
of North Dakota

REENGROSSED SENATE BILL NO. 2244

Introduced by

Senators Pomeroy, Anderson, Krebsbach, Lyson, Mathern

Representative Myxter

A BILL for an Act to amend and reenact paragraph 2 of subdivision b of subsection 15 of section 57-02-08 of the North Dakota Century Code, relating to continuation of the farm residence exemption for the surviving spouse of a deceased farmer; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Paragraph 2 of subdivision b of subsection 15 of section 57-02-08 of the North Dakota Century Code is amended and reenacted as follows:

(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 received annual net income from farming activities which is fifty percent or more of annual net income, including net income of a spouse if married, during any of the three preceding calendar years. ~~"Farmer"~~ For purposes of this paragraph, "farmer" includes a ~~"retired farmer" 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. "Farmer" includes a "beginning~~:

(a) "Beginning farmer", which means an individual who has begun occupancy and operation of a farm within the three preceding calendar years; 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 who does not have a history of farm income from farm operation for each of the three preceding calendar years.

(b) "Retired farmer", which means 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.

(c) "Surviving spouse of a farmer", which means the surviving spouse of an individual who is deceased, who at the time of death owned and occupied as a farmer the residence in which the surviving spouse lives and for which the exemption is claimed. The exemption under this subparagraph expires at the end of the fifth taxable year after the taxable year of death of an individual who at the time of death was an active farmer. The exemption under this subparagraph applies for as long as the residence is continuously occupied by the surviving spouse of an individual who at the time of death was a retired farmer.

SECTION 2. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 2008, and applies to the surviving spouse of a deceased farmer regardless of whether death occurred before or after January 1, 2009, if the occupancy by the surviving spouse has been continuous and otherwise qualifies under this Act.