

North Dakota Tax Exempt Property Study August 2010

Conducted by the North Dakota Department of Commerce
Presented to the Interim Budget Committee
Sept. 22, 2010

Introduction

Senate Bill 2018, Section 14, stated that the Department of Commerce shall compile information identifying tax-exempt property by school district, including information on the related value of the property based on soil survey, insured value, or other means, and a categorization of the property by whether or not it produces revenue based on its use.

Methodology

Commerce hired two summer interns to conduct this study from June through mid-August 2010. They contacted a representative from each county and asked all 53 counties to provide data showing exempt property within county school districts. Only 19 counties provided information, and the data provided did not necessarily address the request.

Based on the lack of response and the difficulty counties had in meeting this request, Commerce narrowed the study to 15 counties featured on the website ndpropertytax.com. This site gives assessed values for property in the county and school district. Commerce asked these 15 counties to provide a list of tax exempt properties by school district and their corresponding parcel number. Of the 15 counties contacted, only 14 responded with the information requested.

6 – counties were able to provide most of the requested data
4 - counties responded but could provide very little of the requested data
4 - counties did not respond or were unable to provide any of the requested data

Commerce held follow-up meetings with seven counties. In these meetings, county representatives identified two major challenges with the study. First, technological and staff differences exist between counties. Second, no counties collect or track information in the manner in which it was requested for this study. In general, they expressed support for the concept of a standardized online database.

Conclusion

Fifty-five percent of all North Dakota counties did not respond or said they could not produce the requested data. Due to the lack of consistency in collecting and reporting data on tax-exempt property, Commerce was unable to secure the information needed to complete this study.

The information that Commerce was able to gather is summarized in subsequent pages of this report.

This study reveals that counties do not follow a standardized procedure for collecting and reporting information on tax exempt property. In order to gather the information requested by this legislation, counties need to be required to collect and report this information in a standardized way.

Recommendation

The following information needs to be reported in consistent manner for every property in order to gather this information in the future:

1. School District Code
2. Taxpayer Name
3. Parcel Number
4. Tax Class/Code
5. Acreage/Square footage

6. Value of the potential revenue lost due to exemption
7. Identifying if revenue generating or not

Some counties, such as Morton, use a template that could be considered as a starting point for a standardized form.

Tax Exempt Property Study Data Collected, August 2010

- ✧ The **Alexander 2** school district is located within McKenzie County. Within this school district the county reported 28.01 acres is exempt city land, 0.6 acres is exempt county land, 17,480.49 acres is exempt state land, and 6,555.8 acres is exempt federal land. Within this school district the county also recorded the exempt city value at \$43,130. No other information was reported.
- ✧ The **Barnes 7** school district is located within Stutsman, Griggs, and Barnes counties. Within this school district Stutsman County has reported 160 acres is exempt agricultural land. Within this school district Stutsman County also reported the exempt revenue residential value at \$35,000. No other information was reported.
- ✧ The **Beach 3** school district is located within Golden Valley County. Within this school district the county has reported 13,241.41 acres is exempt city land, 146.38 acres is exempt county land, 21,064.64 acres is exempt state land, 59,508.91 acres is exempt federal land, 1.29 acres is exempt commercial land, and 2,315.686 acres is exempt "other" land. Within this school district the county also reported \$2,542,450 as an exempt commercial value and \$5,836,700 as an exempt "other" value. No other information was reported.
- ✧ The **Beulah 27** school district is located within Dunn, Mercer, and Oliver counties. Within this school district Dunn County has reported 7.13 acres is exempt city land and 700 acres is exempt non-revenue residential land. Within this school district Dunn County also indicated that the exempt city value is \$2,200 and the exempt non-revenue residential value is \$700. No other information was reported.
- ✧ The **Bismarck 1** school district is located within Burleigh County. Within this school district the county has recorded 4,144.8 acres is exempt city land, 538.7 acres is exempt county land, 903.9 acres is exempt state land, 30.1 acres is federal land, 349 acres is exempt non-revenue residential land, 198.8 acres is exempt commercial land, 9.62 acres is exempt revenue renaissance zone land, and 340 acres is exempt "other" land. Within this school district the county recorded the exempt commercial value at \$244,133,100, the exempt city value at \$29,800, the exempt county value at \$2,265,400, the exempt state value at \$13,391,500, the exempt non-revenue residential value at \$197,416,900, the exempt renaissance value at \$22,394,000, and the exempt "other" valued at \$81,524,000. No other information was reported.
- ✧ The **Carrington 49** school district is located within Stutsman County. Within this school district the county reported 618.56 acres is exempt agricultural land and 5 acres is exempt "other" land. Within this school district it was reported, by the county, the exempt non-revenue residential value at \$128,200. No other information was reported.
- ✧ The **Central Valley** school district is located within Grand Forks and Traill counties. Within this school district Grand Forks County reported 3.25 acres is exempt county land, 26.5 acres is exempt state land, 0.23 acres is exempt commercial land, and 3.59 acres is exempt "other" land. No other information was reported.

- ✧ The **Dakota Prairie Public School District** is located within Grand Forks, Benson, Eddy, Griggs, Nelson, Ramsey, Steele, and Walsh counties. This school district reported that Grand Forks County has 2.51 acres of exempt city land, 254.35 acres of exempt county land, 71.63 acres of exempt state land, 0.23 acres of exempt commercial land, and 19.6 acres of exempt “other” land. No other information was reported.
- ✧ The **Earl 18** school district is located within McKenzie County. This school district has reported that 7,200 acres is exempt state land and 98,774.12 acres is exempt federal land. No other information was reported.
- ✧ The **Elgin/New Leipzig 49** school district is located within Adams, Grant, and Hettinger counties. Within this school district Adams County reported 640 acres as exempt agricultural land, with a value of \$114,837. No other information was reported for this school district.
- ✧ The **Emerado 127** school district is located within Grand Forks County. Within this school district the county reported 13.61 acres is exempt city land, 933.4 acres is exempt county land, 1,589.34 acres is exempt state land, 2,350.71 acres is exempt federal land, and 34.82 acres is exempt “other” land. No other information was reported.
- ✧ The **Enderlin Area 24** school district is located within Ransom, Barnes, and Cass counties. Within this school district Ransom County has reported 79 acres is exempt city land, 10.45 acres is exempt county land, 46.677 acres is exempt state land, 406.48 acres is exempt federal land, 10.76 acres is exempt non-revenue residential land, 12.344 acres is exempt commercial land, 5 acres is exempt agricultural land, and 14.55 acres is exempt “other” land. Within this school district Morton County also reported the exempt commercial value at \$4,717,200, the exempt state value at \$55,900, the exempt non-revenue residential value at \$150,500, the exempt agricultural value at \$80,300, and the exempt “other” value at \$6,100. No other information was reported.
- ✧ The **Flasher 39** school district is located within Morton and Grant counties. Within this school district Morton County has reported 41.25 acres is exempt city land, 408.57 acres is exempt county land, 5,848.17 acres is exempt state land, 15.96 acres is exempt federal land, 1.44 acres is exempt non-revenue residential land, and 11.71 acres is exempt “other” land. Within this school district Morton County recorded the exempt non-revenue residential value at \$86,200. No other information was reported.
- ✧ The **Fordville 5** school district is located within Grand Forks, Nelson, and Walsh counties. Within this school district Grand Forks County has reported 1,081.29 acres is exempt county land, 239.89 acres is exempt federal land, and 0.23 acres is exempt commercial land. No other information was reported.
- ✧ The **Fort Ransom 6** school district is located within Ransom and LaMoure counties. Within this school district Ransom County has reported 15.62 acres is exempt city land, 6.85 acres is exempt county land, 11.32 acres is exempt state land, 21.96 acres is exempt federal land, 17.22 acres is exempt non-revenue residential land, 13 acres is exempt agricultural land, and 6.33 acres is exempt “other” land. Within this school district Ransom County also reported the exempt non-revenue residential value at \$225,000 and the exempt agricultural value at \$83,000. No other information was reported.

- ✧ The **Gackle-Streeter 56** school district is located within Kidder, Stutsman, LaMoure, and Logan counties. Within this school district Kidder County has reported 1.87 acres is exempt non-revenue residential land, 5.86 acres is exempt commercial land, and 3,915.3 acres is exempt agricultural land. Within this school district Kidder County also recorded that \$300 is the value of exempt non-revenue residential land and \$124,100 is the value of exempt agricultural land. Stutsman County reported the exempt commercial value is \$80,000 within this school district. No other information was reported.
- ✧ The **Glen Ullin 48** school district is located within Morton, Grant, Mercer, and Oliver counties. Within this school district Morton County reported 137.92 acres is exempt city land, 40.44 acres is exempt county land, 830.67 acres is exempt state land, 1 acre is exempt non-revenue residential land, 10.61 acres is exempt commercial land, 49.55 acres is exempt "other" land. Within this school district Morton County recorded the exempt commercial value at \$4,196,500, the exempt city value at \$106,000, the exempt non-revenue residential value at \$122,300, and the exempt "other" value at \$1,474,300. No other information was reported.
- ✧ The **Grand Forks 1** school district is located within Grand Forks County. Within this school district the county reported 2,112.09 acres is exempt city land, 93.11 acres is exempt county land, 2.84 acres is exempt state land, 22.92 acres is exempt federal land, 17.18 acres is exempt commercial land, and 23.36 acres is exempt "other" land. No other information was reported.
- ✧ The **Grand Forks Air Force Base 140** is located within Grand Forks. Within this school district the county has reported 542.96 acres is exempt state land and 4,066.47 acres is exempt federal land. No other information was reported.
- ✧ The **Halliday 19** school district is located within Dunn and Mercer counties. Within this school district Dunn County has reported 1.24 acres is exempt "other" land. Within this school district Dunn County also reported the value of exempt commercial land at \$2,143. No other information was reported.
- ✧ The **Hatton 15** school district is located within Grand Forks, Steele, and Traill counties. Within this school district Grand Forks County has reported 1.25 acres is exempt county land and 11.31 acres is exempt "other" land. No other information was reported.
- ✧ The **Hebron 13** school district is located within Morton, Dunn, Grant, Mercer, and Stark counties. Within this school district Morton County has reported 72.04 acres is exempt city land, 113.1 acres is exempt county land, 638.48 acres is exempt state land, 0.03 acres is exempt commercial land, and 33.18 acres is exempt "other" land. Within this school district Morton County reported the exempt non-revenue residential value at \$15,900 and the exempt "other" value at \$20,500. No other information was reported.
- ✧ The **Hettinger 13** school district is located within Adams and Hettinger counties. Within this school district Adams County reported 518,849.02 acres as exempt agricultural land. Within this school district, Adams County also reported the exempt commercial value at \$12,418,925, exempt non-revenue residential value at \$37,065,373, and exempt agricultural value at \$88,146,884. No other information was reported.

- ✧ The **Horse Creek 32** school district is located within McKenzie County. Within this school district the county reported 6,080 acres is exempt state land and 82,615.56 acres is exempt federal land. No other information was reported.
- ✧ The **Jamestown 1** school district is located within Stutsman County. Within this school district the county reported 896.78 acres is exempt agricultural land. Within this school district the exempt commercial value was reported, by the county, at \$8,694,600, the exempt non-revenue residential value at \$6,143,000, the exempt agricultural value at \$561,700 and the exempt "other" value at \$2,326,400. No other information was reported.
- ✧ The **Kensal 19** school district is located within Stutsman and Foster counties. Within this school district Stutsman County reported the exempt commercial land is valued at \$655,200 and the exempt non-revenue residential value at \$10,800. No other information was reported.
- ✧ The **Kidder County 10** school district is located within Kidder, Burleigh, Emmons, and Stutsman counties. Within this school district Kidder County has reported 56.46 acres is exempt non-revenue residential land, 330.97 acres is exempt commercial land, and 38,089.91 acres is exempt agricultural land. Within this school district Kidder County also reports that the exempt commercial value is at \$675,008, the exempt non-revenue residential value is at \$164,600, and the exempt agricultural value is at \$1,085,900. No other information was reported.
- ✧ The **Killdeer 16** school district is located within Dunn County. Within this school district the county has recorded 77.12 acres is exempt city land, 6,403.7 acres is exempt state land, 7.11 acres is exempt non-revenue residential land, 10.37 acres is exempt commercial land, 936.33 acres is exempt agricultural land, and 2.31 acres is exempt "other" land. Within this school district Dunn County also indicated that the value of exempt non-revenue residential land is \$194,649 and exempt value of agricultural land is \$463,200. No other information was reported.
- ✧ The **LaMoure 8** school district is located within Ransom, Dickey, and LaMoure counties. Within this school district Ransom County has reported 5.18 acres is exempt federal land. No other information was reported.
- ✧ The **Larimore 44** school district is located within Grand Forks and Nelson counties. Within this school district Grand Forks County reported 79.33 acres is exempt city land, 1,371.81 acres is exempt county land, 116.35 acres is exempt state land, 810.19 acres is exempt federal land, and 66.03 acres is exempt "other" land. No other information was reported.
- ✧ The **Lisbon 19** school district is located within Ransom County. Within this school district the county reported 171.858 acres is exempt city land, 479.199 acres is exempt county land, 326.307 acres is exempt state land, 240.96 acres is exempt federal land, 77.28 acres is exempt non-revenue residential land, 110.832 acres is exempt commercial land, 63.52 acres is exempt agricultural land, and 31.57 acres is exempt "other" land. Within this school district Ransom County also reported the exempt commercial value at \$4,587,600, the exempt city value at \$5,200, and the exempt state value at \$34,100. No other information was reported.

- ✧ The **Litchville 52** school district is located within Ransom, LaMoure, Barnes, and Stutsman counties. Within this school district Ransom County has reported 1.24 acres is exempt county land, 107.13 acres is exempt federal land, and 3 acres is exempt "other" land. No other information was reported.
- ✧ The **Little Heart 4** school district is located within Morton County. Within this school district the county reported that 6.32 acres is exempt county land, 645.65 acres is exempt state land, 0.49 acres is exempt commercial land, and 16.21 acres is exempt "other" land. No other information was reported.
- ✧ The **Logan 2** school district is located within Kidder County. Within this school district the county reported 2 acres of exempt commercial land and 640 acres of agricultural land. No other information was reported.
- ✧ The **Lone Tree 6** school district is located within Golden Valley County. Within this school district the county has reported 251.22 acres is exempt city land, 170.66 acres is exempt county land, 10,351.85 acres is exempt state land, 36,588.93 acres is exempt federal land, 7.23 acres is exempt commercial land, and 35.69 acres is exempt "other" land. The only value the county reported for this school district was \$126,000 for exempt "other". No other information was reported.
- ✧ The **Mandan 1** school district is located within Morton County. Within this school district the county reported 627.936 acres is exempt city land, 7,522.046 acres is exempt state land, 8,821.86 acres is exempt federal land, 42.6 acres is exempt revenue residential land, 836.75 acres is exempt non-revenue residential land, 988.882 acres is exempt commercial land, 100.1 acres is exempt agricultural land, and 139.61 acres is exempt "other" land. Within this school district the county reported exempt commercial value at \$121,253,139, the exempt revenue residential value at \$423,800, the exempt non-revenue residential value at \$23,816,696, the exempt agricultural value at \$296,000, and the exempt "other" value at \$62,600. No other information was reported.
- ✧ The **Mandaree 36** school district is located within McKenzie and Dunn counties. Within this school district McKenzie County has reported 49,481.77 acres is exempt reservation land. No other information was reported.
- ✧ The **Manvel 126** school district is located within Grand Forks and Walsh counties. Within this school district Grand Forks County has reported 993.9 acres is exempt city land, 13.33 acres is exempt county land, 2,386.58 acres is exempt state land, 1,061.64 acres is exempt federal land, and 7.72 acres is exempt "other" land. Within this school district Grand Forks County also reported the value of exempt county land at \$342 and the value of exempt state land at \$1,620. No other information was reported.

- ✧ The **McKenzie 1** school district is located within McKenzie County. Within this school district the county reported 66.416 acres is exempt city land, 441.8 acres is exempt county land, 50,111.94 acres is exempt state land, 302,144.803 acres is exempt federal land, and 3.618 acres is exempt "other" land. Within this school district the county also reported the exempt city value at \$259,160, the exempt county value at \$87,260, and the exempt "other" value at \$91,230. No other information was reported.
- ✧ The **Medina 3** school district is located within Stutsman County. Within this school district the county reported 153.22 acres is exempt agricultural land. Within this school district the exempt commercial value was reported, by the county, at \$672,600 and the exempt agricultural value at \$32,800. No other information was reported.
- ✧ The **Midway 128** school district is located within Grand Forks and Walsh counties. Within this school district Grand Forks County has reported 499.13 acres is exempt county land, 2,093.23 acres is state land, 3,810.85 acres is exempt federal land, 2.52 acres is exempt commercial land, and 13.98 acres is exempt "other" land. No other information was reported.
- ✧ The **Milnor 1** school district is located within Ransom and Sargent counties. Within this school district Ransom County has reported 640 acres is exempt state land. Within this school district Ransom County also reported the exempt state value at \$63,300. No other information was reported.
- ✧ The **Montpelier 14** school district is located within Stutsman, Barnes, and LaMoure counties. Within this school district Stutsman County has reported 274.58 acres is exempt agricultural land. Within this school district Stutsman County also reported the exempt agricultural value at \$54,900. No other information was reported.
- ✧ The **Mott/Regent 1** school district is located within Adams, Hettinger, and Stark counties. Within this school district Adams County reported 18,997.2 acres as exempt agricultural land. Within this school district Adams County, also, reported that the exempt non-revenue residential value is \$113,092 and \$3,313,566 is reported for exempt agricultural value. No other information was reported.
- ✧ The **New England 9** school district is located within Adams, Hettinger, Slope, and Stark counties. Within this school district Adams County reported 4,577.55 acres as exempt agricultural land. Within this school district Adams County, also, recorded that the exempt non-revenue residential value is \$19,905 and the exempt agricultural value is \$857,797. No other information was reported.
- ✧ The **New Salem 49** school district is located within Morton, Grant, and Oliver counties. Within this school district Morton County has reported 215.27 acres is exempt city land, 91.59 acres is exempt county land, 6,812.66 acres is exempt state land, 38.79 acres is exempt federal land, 2.95 acres is exempt non-revenue residential land, 8.13 acres is exempt commercial land, and 41.38 acres is exempt "other" land. Within this school district Morton County reported the exempt commercial value at \$2,209,400, the exempt non-revenue residential value at \$977,100, and the exempt "other" value at \$245,300. No other information was reported.

- ✧ The **New Town 111** school district is located within McKenzie County. Within this school district the county reported 4,491.75 acres is exempt state land, 7,832.63 acres is exempt federal land, and 36,283.23 acres is exempt reservation land. No other information was reported.
- ✧ The **North Sargent 3** school district is located within Ransom and Sargent counties. Within this school district Ransom County has reported 0.91 acres is exempt state land. No other information was reported.
- ✧ The **Northwood 129** school district is located within the Grand Forks, Nelson, Steele counties. Within this school district Grand Forks County has reported 183.64 acres is exempt city land, 7.32 acres is exempt county land, 10.17 acres is exempt federal land, 49.73 acres is exempt commercial land, and 10 acres is exempt "other" land. No other information was reported.
- ✧ The **Oakes 41** school district is located within Ransom, LaMoure, Sargent, and Dickey counties. Within this school district Ransom County has reported 91.56 acres is exempt federal land. No other information was reported.
- ✧ The **Pingree-Buchanan 10** school district is located within Stutsman County. Within this school district the county reported 153.4 acres is exempt agricultural land. Within this school district it was reported, by the county, the exempt non-revenue residential value at \$258,600. No other information was reported.
- ✧ The **Robinson 14** school district is located within Kidder County. Within this school district the county reported 3.8 acres is exempt non-revenue residential land, 50.15 acres is exempt commercial land, and 8,951.54 acres is exempt agricultural land. Within this school district the county also reported the exempt commercial value at \$58,421, the exempt non-revenue residential value at \$32,200 and the exempt agricultural value at \$243,000. No other information was reported.
- ✧ The **Scranton 33** school district is located within Adams, Bowman, and Slope counties. Within this school district Adams County reported 63,860.32 acres as exempt agricultural land. Within this school district Adams County, also, recorded the exempt commercial value at \$1,236,244, the exempt non-revenue residential land value at \$2,867,860, and the exempt agricultural land value was reported at \$11,344,996. No other information was reported.
- ✧ The **Solen 3** school district is located within Morton and Souix counties. Within this school district Morton County has reported 32.42 acres is exempt county land, 1,343.66 acres is exempt state land, 7.4 acres is exempt federal acres, and 1.04 acres is exempt "other" land. No other information was reported.
- ✧ The **Spiritwood 26** school district is located within Stutsman County. Within this school district the county reported 165 acres is exempt agricultural land. Within this school district it was recorded, by the county, the exempt commercial value at \$7,200,000 and the exempt non-revenue residential value at \$14,300. No other information was reported.

- ✧ The **Sweet Briar 17** school district is located within Morton County. Within this school district the county reported that 5 acres is exempt county land, 960 acres is exempt state land, and 1.33 acres is exempt “other” land. No other information was reported.
- ✧ The **Thompson 61** school district is located within Grand Forks County. Within this school district the county reported 161.9 acres is exempt city land, 25.344 acres is exempt county land, 6.12 acres is exempt commercial land, and 11.13 acres is exempt “other” land. No other information was reported.
- ✧ The **Yellowstone 14** school district is located within McKenzie County. Within this school district the county reported 1,193.8 acres is exempt state land and 19,781.52 acres is exempt federal land. No other information was reported.