

**Sixty-third Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 8, 2013**

SENATE BILL NO. 2171  
(Senators Klein, Sorvaag, Dotzenrod)  
(Representatives Dockter, Headland, Schmidt)

AN ACT to amend and reenact subsection 1 of section 57-02-08.1 of the North Dakota Century Code, relating to the homestead property tax credit; and to provide an effective date.

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

**SECTION 1. AMENDMENT.** Subsection 1 of section 57-02-08.1 of the North Dakota Century Code is amended and reenacted as follows:

1. a. Any person sixty-five years of age or older or permanently and totally disabled, in the year in which the tax was levied, with an income that does not exceed the limitations of subdivision c is entitled to receive a reduction in the assessment on the taxable valuation on the person's homestead. An exemption under this subsection applies regardless of whether the person is the head of a family.
- b. The exemption under this subsection continues to apply if the person does not reside in the homestead and the person's absence is due to confinement in a nursing home, hospital, or other care facility, for as long as the portion of the homestead previously occupied by the person is not rented to another person.
- c. The exemption must be determined according to the following schedule:
  - (1) If the person's income is not in excess of ~~eighteen~~twenty-two thousand dollars, a reduction of one hundred percent of the taxable valuation of the person's homestead up to a maximum reduction of four thousand five hundred dollars of taxable valuation.
  - (2) If the person's income is in excess of ~~eighteen~~twenty-two thousand dollars and not in excess of ~~twenty~~twenty-six thousand dollars, a reduction of eighty percent of the taxable valuation of the person's homestead up to a maximum reduction of three thousand six hundred dollars of taxable valuation.
  - (3) If the person's income is in excess of ~~twenty~~twenty-six thousand dollars and not in excess of ~~twenty-two~~thirty thousand dollars, a reduction of sixty percent of the taxable valuation of the person's homestead up to a maximum reduction of two thousand seven hundred dollars of taxable valuation.
  - (4) If the person's income is in excess of ~~twenty-two~~thirty thousand dollars and not in excess of ~~twenty-four~~thirty-four thousand dollars, a reduction of forty percent of the taxable valuation of the person's homestead up to a maximum reduction of one thousand eight hundred dollars of taxable valuation.
  - (5) If the person's income is in excess of ~~twenty-four~~thirty-four thousand dollars and not in excess of ~~twenty-six~~thirty-eight thousand dollars, a reduction of twenty percent of the taxable valuation of the person's homestead up to a maximum reduction of nine hundred dollars of taxable valuation.
- d. Persons residing together, as spouses or when one or more is a dependent of another, are entitled to only one exemption between or among them under this subsection. Persons residing together, who are not spouses or dependents, who are coowners of the

property are each entitled to a percentage of a full exemption under this subsection equal to their ownership interests in the property.

- e. This subsection does not reduce the liability of any person for special assessments levied upon any property.
- f. Any person claiming the exemption under this subsection shall sign a verified statement of facts establishing the person's eligibility.
- g. A person is ineligible for the exemption under this subsection if the value of the assets of the person and any dependent residing with the person, ~~excluding the unencumbered value of the person's residence that the person claims as a homestead,~~ exceeds ~~seventy-five~~ five hundred thousand dollars, including the value of any assets divested within the last three years. ~~For purposes of this subdivision, the unencumbered valuation of the homestead is limited to one hundred thousand dollars.~~
- h. The assessor shall attach the statement filed under subdivision f to the assessment sheet and shall show the reduction on the assessment sheet.
- i. An exemption under this subsection terminates at the end of the taxable year of the death of the applicant.

**SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after December 31, 2012.

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President of the Senate

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-third Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2171.

Senate Vote:    Yeas 47            Nays 0            Absent 0

House Vote:    Yeas 90            Nays 0            Absent 4

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Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2013.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2013.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2013,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State