

Sixty-third
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1306

Introduced by

Representatives Thoreson, Brandenburg, Dockter, Karls, Guggisberg

Senator Carlisle

1 A BILL for an Act to amend and reenact ~~subsection 1 of~~ section 57-02-08.8 of the North Dakota
2 Century Code, relating to disabled veteran's eligibility for a homestead tax credit and a renter
3 credit; and to provide an effective date.

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

5 ~~— **SECTION 1. AMENDMENT.** Subsection 1 of section 57-02-08.8 of the North Dakota~~
6 ~~Century Code is amended and reenacted as follows:~~

7 ~~————— 1. A disabled veteran of the United States armed forces with an armed forces~~
8 ~~service-connected disability of fifty percent or greater or a disabled veteran who has~~
9 ~~an extra-schedular rating to include individual unemployability that brings the veteran's~~
10 ~~total disability rating to one hundred percent as determined by the department of~~
11 ~~veterans' affairs, who was discharged under honorable conditions or who has been~~
12 ~~retired from the armed forces of the United States, or the unremarried surviving~~
13 ~~spouse if the disabled veteran is deceased, is eligible for a credit applied against the~~
14 ~~first nine thousand four hundred dollars of taxable valuation of the fixtures,~~
15 ~~buildings, and improvements of the homestead owned and occupied by the disabled~~
16 ~~veteran or unremarried surviving spouse equal to the percentage of the disabled~~
17 ~~veteran's disability compensation rating for service-connected disabilities as certified~~
18 ~~by the department of veterans' affairs for the purpose of applying for a property tax~~
19 ~~exemption. An unremarried surviving spouse who is receiving department of veterans'~~
20 ~~affairs dependency and indemnity compensation receives a one hundred percent~~
21 ~~exemption as described in this subsection.~~

22 **SECTION 1. AMENDMENT.** Section 57-02-08.8 of the North Dakota Century Code is
23 amended and reenacted as follows:

57-02-08.8. Property tax credit for disabled veterans - Certification - Distribution.

1. A disabled veteran of the United States armed forces with an armed forces service-connected disability of fifty percent or greater or a disabled veteran who has an extra-schedular rating to include individual unemployability that brings the veteran's total disability rating to one hundred percent as determined by the department of veterans' affairs, who was discharged under honorable conditions or who has been retired from the armed forces of the United States, or the unremarried surviving spouse if the disabled veteran is deceased, is eligible for a credit applied against the first ~~four hundred~~ five nine thousand ~~four hundred~~ dollars of taxable valuation of the fixtures, buildings, and improvements of the homestead owned and occupied by the disabled veteran or unremarried surviving spouse equal to the percentage of the disabled veteran's disability compensation rating for service-connected disabilities as certified by the department of veterans' affairs for the purpose of applying for a property tax exemption. An unremarried surviving spouse who is receiving department of veterans' affairs dependency and indemnity compensation receives a one hundred percent exemption as described in this subsection.
2. If two disabled veterans are married to each other and living together, their combined credits may not exceed one hundred percent of five nine thousand ~~four hundred~~ dollars of taxable valuation of the fixtures, buildings, and improvements of the homestead. If a disabled veteran co-owns the homestead property with someone other than the disabled veteran's spouse, the credit is limited to that disabled veteran's interest in the fixtures, buildings, and improvements of the homestead, to a maximum amount calculated by multiplying five nine thousand ~~four hundred~~ dollars of taxable valuation by the disabled veteran's percentage of interest in the homestead property and multiplying the result by the applicant's certified disability percentage.
3. A disabled veteran or unremarried surviving spouse claiming a credit under this section for the first time shall file with the county auditor an affidavit showing the facts herein required, a description of the property, and a certificate from the United States department of veterans' affairs, or its successor, certifying to the amount of the disability. The affidavit and certificate must be open for public inspection. A person shall thereafter furnish to the assessor or other assessment officials, when requested

1 to do so, any information which is believed will support the claim for credit for any
2 subsequent year.

3 4. a. A disabled veteran or unremarried surviving spouse who would qualify for a credit
4 under this section except for the fact that the individual rents living quarters is
5 eligible for a refund of a portion of the individual's annual rent under this
6 subsection.

7 b. For the purpose of this subsection, when any part of twenty percent of the annual
8 rent exceeds two percent of the annual income of a qualified applicant, the
9 applicant is entitled to receive a refund from the state general fund for that
10 amount in excess of two percent of the applicant's annual income multiplied by
11 the applicant's certified disability percentage, but the refund may not be in excess
12 of four hundred dollars. If the calculation for the refund is less than five dollars, a
13 minimum of five dollars must be sent to the qualifying applicant.

14 c. Individuals who reside together, as spouses or when one or more is a dependent
15 of another, are entitled to only one refund between or among them under this
16 subsection. Individuals who reside together in a rental unit, who are not spouses
17 or dependents, are each entitled to apply for a refund based on the rent paid by
18 that individual.

19 d. Each application for refund under this subsection must be made to the tax
20 commissioner before the first day of June of each year by the individual claiming
21 the refund. The tax commissioner may grant an extension of time to file an
22 application for good cause. The tax commissioner shall issue refunds to qualified
23 applicants.

24 e. This subsection does not apply to rents or fees paid by an individual for any living
25 quarters, including a nursing home licensed under section 23-16-01, if those
26 living quarters are exempt from property taxation and the owner is not making a
27 payment in lieu of property taxes.

28 f. An individual may not receive a refund under this section for a taxable year in
29 which that individual received an exemption under subsection 1.

30 5. For purposes of this section, and except as otherwise provided in this section,

31 "homestead" has the meaning provided in section 47-18-01 except that it also applies

1 to a person who otherwise qualifies under the provisions of this section whether the
2 person is the head of the family and "income" has the meaning provided in section
3 57-02-08.1.

4 ~~5.6.~~ This section does not reduce the liability of a person for special assessments levied
5 upon property.

6 ~~6.7.~~ The board of county commissioners may cancel the portion of unpaid taxes that
7 represents the credit calculated in accordance with this section for any year in which
8 the qualifying owner has held title to the homestead property. Cancellation of taxes for
9 any year before enactment of this section must be based on the law that was in effect
10 for that tax year.

11 ~~7.8.~~ Before the first of March of each year, the county auditor of each county shall certify to
12 the tax commissioner on forms prescribed by the tax commissioner the name and
13 address of each person for whom the property tax credit for homesteads of disabled
14 veterans was allowed for the preceding year, the amount of credit allowed, the total of
15 the tax mill rates of all taxing districts, exclusive of any state mill rates, that was
16 applied to other real estate in the taxing districts for the preceding year, and such other
17 information as may be prescribed by the tax commissioner.

18 ~~8.9.~~ On or before the first of June of each year, the tax commissioner shall audit the
19 certifications, make the required corrections, and certify to the state treasurer for
20 payment to each county the sum of the amounts computed by multiplying the credit
21 allowed for each homestead of a disabled veteran in the county by the total of the tax
22 mill rates, exclusive of any state mill rates that were applied to other real estate in the
23 taxing districts for the preceding year.

24 ~~9.10.~~ The county treasurer upon receipt of the payment from the state treasurer shall
25 apportion and distribute the payment without delay to the county and to the local
26 taxing districts of the county on the basis on which the general real estate tax for the
27 preceding year is apportioned and distributed.

28 ~~10.11.~~ On or before the first day of June of each year, the tax commissioner shall certify to
29 the state treasurer the amount computed by multiplying the property tax credit allowed
30 under this section for homesteads of disabled veterans in the state for the preceding
31 year by one mill for deposit in the state medical center fund.

1 | ~~11.12.~~ Supplemental certifications by the county auditor and by the tax commissioner and
2 | supplemental payments by the state treasurer may be made after the dates prescribed
3 | in this section to make such corrections as may be necessary because of errors or
4 | because of approval of an application for abatement filed by a person because the
5 | credit provided for the homestead of a disabled veteran was not allowed in whole or in
6 | part.

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