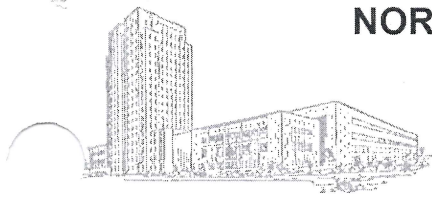


NORTH DAKOTA HOUSE OF REPRESENTATIVES



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02/02/2021

Good Morning Chairman Headland and House Tax and Finance committee members.

I stand before you to introduce HB1446.

The number one comment that I heard from my constituents on the campaign trail is that if they vote for me that I should work hard to reduce property taxes, HB1446 is a bill do that. The goal of 1446 is to use Legacy Fund earnings to pay toward Primary Residence property tax credits. The Projected earnings from the Legacy Fund is 500 million. With 164,370,000 already committed we will have 335,630,000 this biennium. Divided by two there is estimated to be 167,000,000 to pay toward primary residence property tax credits per year. We can discuss the process in the bill but before we do that, I would like to point out the potential economic impact of this act. 167,000,000 spent into the economy times the rule of velocity which is well known to be seven. Seven times 167,000,000 equals 1,169,000,000 of money back into the economy. If we take 1,169,000,000 times five percent state tax we could possibly see 58,450,000 dollars collected by the state per year and that doesn't include the local city sales taxes.

The fiscal note to pay for everyone's primary residence property tax is a little over 400 million so if this passes it would pay for approximately 1/3 of everyone's primary residence property tax.

Another huge benefit is the perception by folks from other states that may be drawn here on the idea that they may be able to own their home in the future, property tax free. This would also encourage people to stay here. The Legacy Fund was a brilliant idea, approved by our people in 2010 through a Constitutional Amendment. Legacy by definition means gift. Mr. chairman and committee members in these difficult times I ask you to give our people the Legacy or (gift) that we all voted for. I respectfully ask for a due pass on HB1446.

Thank you Mr. Chairman.