

Sixty-eighth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2136

Introduced by

Senators Lee, Hogan, Patten

Representatives Bosch, Boschee, Dockter

1 A BILL for an Act to amend and reenact subsection 1 of section 57-02-08.1 of the North Dakota  
2 Century Code, relating to the homestead tax credit; and to provide an effective date.

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

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

- 6 1. a. Any person sixty-five years of age or older or permanently and totally disabled, in  
7 the year in which the tax was levied, with an income that does not exceed the  
8 limitations of subdivision c is entitled to receive a reduction in the assessment on  
9 the taxable valuation on the person's homestead. An exemption under this  
10 subsection applies regardless of whether the person is the head of a family.
- 11 b. The exemption under this subsection continues to apply if the person does not  
12 reside in the homestead and the person's absence is due to confinement in a  
13 nursing home, hospital, or other care facility, for as long as the portion of the  
14 homestead previously occupied by the person is not rented to another person.
- 15 c. ~~The exemption must be determined according to the following schedule:~~
- 16 (1) If the person's income is not in excess of ~~twenty-two~~one hundred thousand  
17 dollars, the exemption must be determined as a reduction of one hundred  
18 percent of the taxable valuation of the person's homestead up to a  
19 maximum reduction of ~~five~~nine thousand ~~six hundred twenty-five~~ dollars of  
20 taxable valuation.
- 21 (2) ~~If the person's income is in excess of twenty-two thousand dollars and not in~~  
22 ~~excess of twenty-six thousand dollars, a reduction of eighty percent of the~~  
23 ~~taxable valuation of the person's homestead up to a maximum reduction of~~  
24 ~~four thousand five hundred dollars of taxable valuation.~~

- 1                   ~~(3) If the person's income is in excess of twenty-six thousand dollars and not in~~  
2                   ~~excess of thirty thousand dollars, a reduction of sixty percent of the taxable~~  
3                   ~~valuation of the person's homestead up to a maximum reduction of three-~~  
4                   ~~thousand three hundred seventy-five dollars of taxable valuation.~~
- 5                   ~~(4) If the person's income is in excess of thirty thousand dollars and not in~~  
6                   ~~excess of thirty-four thousand dollars, a reduction of forty percent of the~~  
7                   ~~taxable valuation of the person's homestead up to a maximum reduction of~~  
8                   ~~two thousand two hundred fifty dollars of taxable valuation.~~
- 9                   ~~(5) If the person's income is in excess of thirty-four thousand dollars and not in~~  
10                   ~~excess of thirty-eight thousand dollars, a reduction of twenty percent of the~~  
11                   ~~taxable valuation of the person's homestead up to a maximum reduction of~~  
12                   ~~one thousand one hundred twenty-five dollars of taxable valuation.~~
- 13                   ~~(6) If the person's income is in excess of thirty-eight thousand dollars and not in~~  
14                   ~~excess of forty-two thousand dollars, a reduction of ten percent of the~~  
15                   ~~taxable valuation of the person's homestead up to a maximum reduction of~~  
16                   ~~five hundred sixty-three dollars of taxable valuation.~~
- 17                   d. Persons residing together, as spouses or when one or more is a dependent of  
18                   another, are entitled to only one exemption between or among them under this  
19                   subsection. Persons residing together, who are not spouses or dependents, who  
20                   are co-owners of the property are each entitled to a percentage of a full  
21                   exemption under this subsection equal to their ownership interests in the  
22                   property.
- 23                   e. This subsection does not reduce the liability of any person for special  
24                   assessments levied upon any property.
- 25                   f. Any person claiming the exemption under this subsection shall sign a verified  
26                   statement of facts establishing the person's eligibility. Any income information  
27                   contained in the statement of facts is a confidential record.
- 28                   g. ~~A person is ineligible for the exemption under this subsection if the value of the~~  
29                   ~~assets of the person and any dependent residing with the person exceeds five-~~  
30                   ~~hundred thousand dollars, including the value of any assets divested within the~~  
31                   ~~last three years.~~

- 1           h. The assessor shall attach the statement filed under subdivision f to the  
2           assessment sheet and shall show the reduction on the assessment sheet.
- 3           i.h. An exemption under this subsection terminates at the end of the taxable year of  
4           the death of the applicant.
- 5           i. A person who is eligible for an exemption under this subsection is eligible to  
6           receive a full or partial exemption under this subsection based on the date of  
7           submission of the verified statement of facts required under subdivision f. If the  
8           person submits the verified statement of facts:
- 9           (1) By February first of the current taxable year, the person is eligible for the full  
10           exemption under this subsection.
- 11           (2) After February first of the current taxable year and no later than November  
12           fifth of the current taxable year, the person is eligible to receive a pro rata  
13           share of the exemption under this subsection. To claim a pro rata share of  
14           the exemption under this subsection, the person shall submit the verified  
15           statement of facts by the fifth day of the month preceding the first full month  
16           of the prorated exemption. The tax commissioner shall calculate the pro rata  
17           share of the exemption based on the number of months remaining in the  
18           taxable year, beginning the month after the verified statement of facts is  
19           timely submitted.

20           **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
21           December 31, 2022.