

Sixty-eighth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1247

Introduced by

Representatives Grueneich, Brandenburg, Dockter, Heinert, Kempenich, Mitskog, Monson, J. Olson, Satrom, Weisz

Senators Erbele, Myrdal

A BILL ~~for an Act to create and enact a new subsection to section 57-02-08 of the North Dakota Century Code, relating to a commercial property tax exemption for grain elevator and potato warehouse property used for personal use; and to provide an effective date~~ for an Act to provide for a legislative management study regarding the impact of a property tax exemption for agricultural products storage.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

~~**SECTION 1.** A new subsection to section 57-02-08 of the North Dakota Century Code is created and enacted as follows:~~

~~All warehouses and elevators situated on commercial property used for personal use.~~

~~For purposes of this subsection:~~

~~a. "Personal use" means the use of a warehouse or elevator to store or process grain or potatoes produced by the owner of the elevator or warehouse or an individual related to the owner by blood, adoption, or marriage. The term does not include the use of an elevator or warehouse to store or process grain or potatoes produced by individuals other than the owner of the elevator or warehouse or the owner's relatives.~~

~~b. "Process" means the ordinary handling of grain or potatoes prior to sale. The term does not include processing that results in a value-added physical or chemical change to the grain or potatoes.~~

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

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PROPERTY TAX EXEMPTION FOR AGRICULTURAL PRODUCTS STORAGE. During the 2023-24 interim, the legislative

1 management shall study the provision of a property tax exemption for elevators, warehouses,
2 and other farm structures classified as commercial property, which are privately owned and
3 used to store agricultural products produced by the owner or an individual related to the owner
4 as defined in section 10-06.1-12. The study must include consideration of the potential shift in
5 property tax burden if the exemption were to be enacted, the definitions of agricultural property
6 and farm plant as used in subsection 15 of section 57-02-08, and the impact of abandoned
7 elevators, potato warehouses, and other farm structures classified as commercial property on
8 the political subdivisions in which they are located, including the cost of refurbishment or
9 removal. The legislative management shall report its findings and recommendations, together
10 with any legislation required to implement the recommendations, to the sixty-ninth legislative
11 assembly.