

January 26, 2023

State of North Dakota House of Finance and Tax Committee North Dakota State Capitol 600 East Boulevard Ave Bismarck, ND 58505

Chairman Headland and members of the House Finance and Tax Committee:

Trinity Health supports HB 1438 - Property, tax exemption for buildings and land belongings to institutions of public charity.

Trinity Health is a charitable hospital system meeting the general requirements for tax exemption under internal revenue code section 501(c)(3) for more than 100 years.

Trinity Health is organized and operated for the charitable purpose of promoting health to the communities of north central and north western North Dakota.

Trinity Health is a qualified hospital system as described in section 501(c)(3) and continues to meet the community benefit standards. Examples of the community benefit standards demonstrated by Trinity Health include, but are not limited to:

It's ability to provide benefits to all classes of persons to benefit the communities it serves.

- Operating to serve a public rather than a private interest.
- Operating an emergency room open to all, regardless of ability to pay.
- Maintaining a board of directors drawn from the community.
- Using surplus funds to improve facilities, equipment, and patient care.
- Using surplus funds to advance, medical training, education, and research.



In 2018, Trinity Health broke ground on its \$520M healthcare campus in medical district to meet the growing and advancing needs of the patient populations served by Trinity Health. Since breaking ground in 2018, Trinity Health has incurred significant expense and a financial burden of property tax on its state-of-the-art healthcare campus and medical district buildings and land. Outlined below are the property taxes paid on this most important and very needed project.

2019 - \$223,594

2020 - \$649,861

2021 - \$1,232,845

2022 - \$2,583,209

Total property taxes paid 2018 through 2022: \$4,689,509

Estimated property tax 2023: up to \$7 million.

Trinity Health asks for your support for HB1438 and is positioned to answer any questions that you may have.

Sincerely,

John M. Kutch President & CEO