

Sixty-ninth
Legislative Assembly
of North Dakota

FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1266

Introduced by

Representatives Pyle, Klemin, M. Ruby, Marschall, J. Olson

Senators Weston, Wobbema

1 A BILL for an Act to amend and reenact section 57-02-08.8 of the North Dakota Century Code,
2 relating to the property tax credit for disabled veterans; and to provide an effective date.

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

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

6 **57-02-08.8. Property tax credit for disabled veterans - Certification - Distribution.**

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 surviving spouse if the
13 disabled veteran is deceased, is eligible for a credit applied against the first ~~eight-~~
14 ~~thousand one hundred~~nine thousand dollars of taxable valuation of the homestead
15 owned and occupied by the disabled veteran or surviving spouse equal to the
16 percentage of the disabled veteran's disability compensation rating for
17 service-connected disabilities as certified by the department of veterans' affairs for the
18 purpose of applying for a property tax credit. A surviving spouse who is receiving
19 United States department of veterans affairs dependency and indemnity compensation
20 receives a one hundred percent credit as described in this subsection. If the
21 determination of disability or service-connected death occurs subsequent to the
22 qualifying veteran's death through application of a law that renders a surviving spouse

of a qualifying veteran eligible for United States department of veterans affairs disability and indemnity compensation, the determination for purposes of the credit under this subsection is presumed to precede the veteran's death. Sufficient proof of receipt of United States department of veterans affairs dependency and indemnity compensation includes correspondence directed to a surviving spouse of a qualifying veteran by the United States department of veterans affairs which indicates the surviving spouse is a survivor of the qualifying veteran and is in receipt of United States department of veterans affairs dependency and indemnity compensation.

2. If two disabled veterans are married to each other and living together, their combined credits may not exceed one hundred percent of ~~eight thousand one hundred nine~~ thousand dollars of taxable valuation of the homestead. If a disabled veteran co-owns the homestead property with someone other than the disabled veteran's spouse, parent, or child, the credit is limited to that disabled veteran's interest in the homestead, ~~to a maximum amount calculated by multiplying eight thousand one hundred dollars of the~~ taxable valuation ~~by~~ of the disabled veteran's ~~percentage of~~ interest in the homestead property ~~and multiplying the result by the applicant's certified disability percentage, not to exceed the maximum credit amount in subsection 1.~~

3. A disabled veteran or ~~unmarried~~ surviving spouse claiming a credit under this section for the first time shall file with the county auditor an affidavit showing the facts required under this section, 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 to do so, any information which supports the claim for credit for any subsequent year.

4. For purposes of this section, and except as otherwise provided in this section, ~~"homestead":~~

a. "Child" means a child by birth, adoption, or marriage.

b. "Homestead" has the meaning provided in section 47-18-01 except that it also applies to a person who otherwise qualifies under the provisions of this section whether the person is the head of the family.

1 c. "Parent" means a birth parent, adoptive parent, or stepparent.

2 5. This section does not reduce the liability of a person for special assessments levied
3 upon property.

4 6. A credit under this section terminates at the end of the taxable year of the death of the
5 applicant.

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 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 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 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 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 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, 2024.