

**State Treasurer  
Budget 120  
Senate Bill No. 2005**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
1999-2001 legislative appropriation	7.00	\$695,265		\$695,265
1997-99 legislative appropriation	<u>7.00</u>	<u>665,410</u>		<u>665,410</u>
1999-2001 appropriation increase (decrease) to 1997-99 appropriation	0.00	\$29,855	\$0	\$29,855

**NOTE:** The 1999-2001 appropriation amounts include \$420 from the general fund for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

**Item Description**

**Carbon dioxide pipeline property tax exemption - Payments in lieu of taxes** - North Dakota Century Code (NDCC) Section 57-06-17.1 exempts property, not including land, from property taxes for 10 years if it consists of a pipeline and equipment associated with the transportation or storage of carbon dioxide to an oilfield for use in enhanced recovery of oil or natural gas.

North Dakota Century Code Section 57-06-17.2 requires the State Treasurer to make payments to each county by March 1 of the year following the submission of a statement by the county auditor of the amount of taxes that would have been assessed against carbon dioxide pipeline property that is exempt under Section 57-06-17.1.

**Status/Result**

As of January 1, 2000, Basin Electric Cooperative's carbon dioxide pipeline currently under construction from the coal gasification plant near Beulah to the Canadian border will be eligible for the property tax exemption provided for in NDCC Section 57-06-17.1.

By March 1, 2001, in accordance with NDCC Section 57-06-17.2, the State Treasurer will need to make a payment in lieu of taxes to each county affected by the pipeline. The 1999 Legislative Assembly did not appropriate any funding for this purpose. The estimated amount of the payments to the counties has not yet been determined.