



**REVISED EXECUTIVE BUDGET RECOMMENDATION  
2025-27 BIENNIUM**

**Budget Summary**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Burgum budget recommendation	118.00	\$184,212,946	\$5,125,000	\$189,337,946
Revisions - Increase (decrease)	(1.00)	256,430,374	168,396,950	424,827,324
<b>Armstrong budget recommendation</b>	<b>117.00</b>	<b>\$440,643,320</b>	<b>\$173,521,950</b>	<b>\$614,165,270</b>
Base level	117.00	226,900,522	125,000	227,025,522
Increase (decrease)	0.00	\$213,742,798	\$173,396,950	\$387,139,748
Percentage increase (decrease)	0.0%	94.2%	138,717.6%	170.5%

**NOTE:**

More detailed information on the revised executive budget recommendation is attached as an appendix.

**Selected Highlights**

- **Salary increases of up to 3 percent effective July 1, 2025, and 3 percent effective July 1, 2026**
- Health insurance increase of \$250 per month (15.23 percent), from \$1,643 to \$1,893, per employee
- Adds funding to replace 2023-25 biennium new and vacant FTE pool amounts
- Adds \$450,000 from the general fund for GenTax support
- **Includes \$72.4 million from the general fund for the homestead tax credit, the same as the base-level**
- Increases funding from the general fund for the disabled veterans' tax credit by \$3,255,000, from \$18,745,000 to \$22,000,000
- **Increases funding for the primary residence credit by \$380,171,950, from \$103,225,000 to \$483,396,950, including \$206,775,000 from the general fund and \$173,396,950 from the legacy earnings fund**

**Deficiency Appropriations**

There are no deficiency appropriations for this agency.

**Significant Audit Findings**

There are no significant audit findings for this agency.

**Agency Fees**

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has 18 fees. The agency recommended removing the sales and use tax permit reinstatement fee of \$50 since the fee has been assessed only three times since 2018.

**Major Related Legislation**

**House Bill No. 1176 - Property tax relief** - Expands the homestead tax credit and the primary residence credit programs and appropriates \$483.4 million from a newly created legacy property tax relief fund to the Tax Commissioner for the primary residence credit.

**House Bill No. 1266 - Disabled veterans' credit** - Expands the disabled veterans' tax credit program by removing the taxable valuation limit.

**House Bill No. 1335 - Homestead tax credit** - Expands the homestead tax credit program by lowering the qualifying age to 62 and increasing the income limits.

**Senate Bill No. 2166 - Property tax information portal** - Appropriates \$5 million to the Tax Commissioner to develop a property tax information portal.

**Senate Bill No. 2201 - Primary residence credit** - Expands the primary residence credit to allow primary residences held through trusts and passthrough entities to qualify for the credit.

**NOTE:**

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



**Tax Commissioner - Budget No. 127**  
**Agency Worksheet - House Bill No. 1006**

	Armstrong Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
<b>2025-27 Biennium Base Level</b>	117.00	\$226,900,522	\$125,000	\$227,025,522
<b>2025-27 Ongoing Funding Changes</b>				
Salary increase		\$926,560		\$926,560
Health insurance increase		702,618		702,618
Funding to replace the 2023-25 vacant FTE pool		1,285,846		1,285,846
Budget reduction from salary savings		(26,967)		(26,967)
GenTax support		450,000		450,000
Information technology rate adjustments		358,321		358,321
Capitol rent increase		16,420		16,420
Disabled veterans' tax credit adjustment		3,255,000		3,255,000
Primary residence credit adjustment		206,775,000	\$173,396,950	380,171,950
<b>Total ongoing funding changes</b>	<b>0.00</b>	<b>\$213,742,798</b>	<b>\$173,396,950</b>	<b>\$387,139,748</b>
<b>One-Time Funding Items</b>				
No one-time funding items				\$0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Changes to Base Level Funding</b>	<b>0.00</b>	<b>\$213,742,798</b>	<b>\$173,396,950</b>	<b>\$387,139,748</b>
<b>2025-27 Total Funding</b>	<b>117.00</b>	<b>\$440,643,320</b>	<b>\$173,521,950</b>	<b>\$614,165,270</b>

Federal funds included in other funds

\$125,000

Total ongoing changes - Percentage of base level

0.0%

94.2%

138717.6%

170.5%

Total changes - Percentage of base level

0.0%

94.2%

138717.6%

170.5%