

2025 HOUSE FINANCE AND TAXATION

HB 1335

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1335
1/22/2025

Relating to the homestead tax credit; and to provide an effective date.

10:46 a.m. Chairman Headland opened the hearing.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Ista, Motschenbacher, Nehring, Porter, Steiner, Toman
Members Absent: Representatives J. Olson, Grueneich.

Discussion Topics:

- Tax relief

10:46 a.m. Representative Nels Christianson, District 18, ND Legislative Assembly, introduced the bill and submitted testimony #30706.

10:50 a.m. Aaron Birst, Executive Director, ND Association of Counties, testified in favor.

10:52 a.m. Chairman Headland closed the hearing.

Additional written testimony:

Jefferey Haney submitted testimony in favor #30720.

Janae Pinks, Committee Clerk

Chairman Headland and members of the House Finance and Tax Committee

I am Nels Christianson, Representative for District 18, which includes central Grand Forks and northeast Grand Forks County.

There is common agreement that property tax is the largest and most pressing issue facing the 69th Legislative Assembly. Your committee is tasked with the critical job of identifying the mechanism of property tax relief and reform for the homeowners and property owners of North Dakota.

One common issue I heard repeatedly while knocking on the doors of District 18 is the challenges that senior homeowners are facing with paying property taxes on their primary residences. Over and over, homeowners would tell me that they fell just outside the limits of the homestead credit, which otherwise would have given them needed relief. A frequent request was to expand the eligibility to qualify for the homestead tax credit.

Retired residents of North Dakota face a great challenge on a fixed income, with ever rising property tax payments. Often, they must make the choice to leave their home due to rising tax payments while they are on a fixed retirement income. HB 1335 addresses this challenge by expanding the eligibility to qualify for the homestead tax credit to senior citizens of low to moderate incomes. This bill changes the income thresholds to phase out the homestead credit from \$40,000 to \$70,000 per year to \$70,000 to \$100,000 annually.

After a lifetime of paying property and income taxes, retirees should not be forced to work additional years to pay a significant property tax burden. I heard from constituents that favored lowering the age to qualify from 65 to age 62. This will align tax policy with the age that many citizens choose to retire.

Your committee has many tough choices on property tax reform this session. The homestead tax credit is a clear way to pass relief directly to the homeowners of North Dakota who have spent a lifetime working and paying taxes. Chairman Headland and members of the committee, please consider including these proposed changes in the property tax reform and relief plan, to help keep senior North Dakota homeowners in their homes.

Nels Christianson

District 18

I am writing in support of HB 1335 and ask that you consider lowering the age of eligibility for the homestead credit for Seniors and increasing the current earnings limit that allows seniors to be eligible for this credit.

The current credit allows for seniors 65 years of age and older to apply for a reduction of their property taxes and I do believe this is a well-deserved credit for seniors, who having paid property taxes for most of their adult lives, deserve a break on their property taxes, especially in light of many seniors living on a fixed income. However, I believe choosing the age of 65 for this credit is arbitrary and ask that you consider changing the age of eligibility for this credit from 65 to 62 as many seniors are retiring earlier and therefore should be eligible for this credit as well and lowering the age for this credit may in fact allow some seniors to retire earlier as property taxes are a significant financial burden on seniors.

Also, the current earnings limit to qualify for this credit is frankly too low to allow most seniors to take advantage of this property tax reduction credit and therefore I would ask that you support this bill and raise the earnings limit to allow a greater number of senior citizens to take full advantage of this credit.

Thank you for your consideration and I hope you support the changes to the Homestead credit that this bill proposes.

Jeff Haney

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1335
2/10/2025

Relating to the homestead tax credit; and to provide an effective date.

9:31 a.m. Chairman Headland opened the meeting.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Ista, Motschenbacher, Nehring, Olson, Porter, Steiner, Toman
Members Absent: Representative Grueneich

Discussion Topics:

- Committee action

9:32 a.m. Representative Porter moved a Do Not Pass.

9:32 a.m. Representative Hagert seconded the motion.

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Jason Dockter	Y
Representative Ty Dressler	Y
Representative Jim Grueneich	AB
Representative Mike Motschenbacher	N
Representative Dennis Nehring	Y
Representative Jeremy Olson	Y
Representative Todd Porter	Y
Representative Vicky Steiner	N
Representative Nathan Toman	Y
Representative Austin Foss	N
Representative Zachary Ista	N

9:34 a.m. Motion passed 9-4-1.

9:34 a.m. Representative Porter will carry the bill.

9:34 a.m. Chairman Headland closed the meeting.

Janae Pinks, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1335 ([25.0897.01000](#))

Finance and Taxation Committee (Rep. Headland, Chairman) recommends **DO NOT PASS** (9 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). HB 1335 was placed on the Eleventh order on the calendar.