North Dakota Legislative Council
Prepared for the Tax Reform and Relief Advisory Committee
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TAXING DISTRICT LEVY LIMITATION - SUMMARY OF SUGGESTED CHANGES

The schedule below summarizes information presented by representatives of counties, cities, and school districts during the March 17, 2026, Tax Reform and Relief Advisory Committee meeting regarding suggested changes and considerations related to the taxing district levy limitation for the committee's review. Information presented by a representative of townships did not specifically include any suggested changes.

	Counties	**Cities**	**School Districts**
Exemptions from the limit	Expand the exemption list to include voter-approved levies and election, health insurance, and public safety expenses	Expand the exemption list to include public safety, infrastructure, or other expenses	Expand the exemption list to include certain voter-approved levies, including building fund levies, and exemptions to account for exceptional circumstances
Allowable percentage limit ("cap") adjustments	Increase the allowable percentage limit to 5 percent or use an inflation-adjusted limit	Increase the allowable percentage limit, use an inflation-adjusted limit, establish varying limits based on city population, adjust the limit for decreases in oil and gas tax revenue allocations	Increase the allowable percentage limit to account for actual cost growth
Levy adjustments	Add new levy authority for public safety or eliminate the current mill limits		
State funding	Increase state funding allocations to taxing districts or provide state funding for specific expenses like programming costs associated with property tax statement changes		Review the interaction of the levy limit and the Integrated Formula Gap Funding Program
Other changes		Adjust the deadlines for assessments and preliminary budgets	Provide guidance for implementing the levy limit