

**HOUSE BILL NO. 1057**

Introduced by

Legislative Management

(Taxation Committee)

1 A BILL for an Act to create and enact section 57-02-53 of the North Dakota Century Code,  
2 relating to notice to a property owner of an assessment increase; to amend and reenact  
3 sections 57-09-04, 57-11-03, and 57-12-06 and subsection 2 of section 57-15-02.1 of the North  
4 Dakota Century Code, relating to notice to a property owner of an assessment increase; to  
5 repeal section 57-12-09 of the North Dakota Century Code, relating to notice to a property  
6 owner of an assessment increase; and to provide an effective date.

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

8 **SECTION 1.** Section 57-02-53 of the North Dakota Century Code is created and enacted as  
9 follows:

10 **57-02-53. Assessment increase notice to property owner.**

11 1. a. When any assessor has increased the true and full valuation of any lot or tract of  
12 land and improvements to an amount that is an increase of three thousand  
13 dollars or more and ten percent or more from the amount of the previous year's  
14 assessment, the assessor shall deliver written notice of the amount of increase  
15 and the amount of the previous year's assessment to the property owner at the  
16 expense of the assessment district for which the assessor is employed. Delivery  
17 of written notice to a property owner under this subdivision must be completed at  
18 least fifteen days before the meeting of the local board of equalization.

19 b. If written notice by the assessor was not required under subdivision a and action  
20 by the township, city, or county board of equalization or order of the state board  
21 of equalization has increased the true and full valuation of any lot or tract of land  
22 and improvements to an amount that results in a cumulative increase of three  
23 thousand dollars or more and ten percent or more from the amount of the  
24 previous year's assessment, written notice of the amount of increase and the

1           amount of the previous year's assessment must be delivered to the property  
2           owner. The written notice under this subdivision must be mailed or delivered at  
3           the expense of the township, city, or county that made the assessment increase  
4           or at the expense of the township, city, or county that was ordered to make the  
5           increase by the state board of equalization. Delivery of written notice to a  
6           property owner under this subdivision must be completed within fifteen days after  
7           the meeting of the township, city, or county board of equalization that made or  
8           ordered the assessment increase and within thirty days after the meeting of the  
9           state board of equalization, if the state board of equalization ordered the  
10          assessment increase.

11          c. The tax commissioner shall prescribe suitable forms for written notices under this  
12          subsection. The written notice under subdivision a must show the true and full  
13          value of the property, including improvements, that the assessor determined for  
14          the current year and for the previous year and must also show the date  
15          prescribed by law for the meeting of the local board of equalization of the  
16          assessment district in which the property is located and the meeting date of the  
17          county board of equalization.

18          d. Delivery of written notice under this section must be by personal delivery to the  
19          property owner, mail addressed to the property owner at the property owner's  
20          last-known address, or electronic mail to the property owner directed with  
21          verification of receipt to an electronic mail address at which the property owner  
22          has consented to receive notice.

23          2. The form of notice prescribed by the tax commissioner must require a statement to  
24          inform the taxpayer that an assessment increase does not mean property taxes on the  
25          parcel will increase. The notice must state that each taxing district must provide mailed  
26          notice of public hearing to the property owner if a greater property tax levy is being  
27          proposed than a zero increase number of mills. The notice may not contain an  
28          estimate of a tax increase resulting from the assessment increase.

29          3. The assessor shall provide an electronic or printed list including the name and address  
30          of the addressee of each assessment increase notice required under subdivision a of  
31          subsection 1 and the officer responsible for providing notice under subdivision b of

1           subsection 1 shall provide an electronic or printed list including the name and address  
2           of the addressee of each assessment increase notice required under subdivision b of  
3           subsection 1 to each city, county, school district, or city park district in which the  
4           subject property is located, but a copy does not have to be provided to any such taxing  
5           district that levied a property tax levy of less than one hundred thousand dollars for the  
6           prior year.

7           **SECTION 2. AMENDMENT.** Section 57-09-04 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9           **57-09-04. Duties of board - Limitation on increase - Notice.**

10          The township board of equalization shall ascertain whether all taxable property in its  
11 township has been properly placed upon the assessment list and duly valued by the assessor.  
12 In case any real property has been omitted by inadvertence or otherwise, the board shall place  
13 the same upon the list with the true value thereof. The board shall proceed to correct the  
14 assessment so that each tract or lot of real property is entered on the assessment list at the true  
15 value thereof. ~~The assessment of the property of any person may not be raised until such~~  
16 ~~person has been notified of the intent of the board to raise the same~~board may not increase the  
17 valuation returned by the assessor to an amount that results in a cumulative increase of more  
18 than fifteen percent from the amount of the previous year's assessment without giving the  
19 owner or the owner's agent reasonable notice and opportunity to be heard regarding the  
20 intention of the board to increase it. All complaints and grievances of residents of the township  
21 must be heard and decided by the board and it may make corrections as appear to be just.  
22 Complaints by nonresidents with reference to the assessment of any real property and  
23 complaints by others with reference to any assessment made after the meeting of the township  
24 board of equalization must be heard and determined by the county board of equalization. The  
25 board must comply with any requirement for notice of an assessment increase under section  
26 57-02-53.

27          **SECTION 3. AMENDMENT.** Section 57-11-03 of the North Dakota Century Code is  
28 amended and reenacted as follows:

29          **57-11-03. Duties of board - Limitation on increase - Notice.**

30          At its meeting, the board of equalization shall proceed to equalize and correct the  
31 assessment roll. It may change the valuation and assessment of any real property upon the roll

1 by increasing or diminishing the assessed~~true and full~~ valuation thereof as is reasonable and  
2 just to render taxation uniform, except that the board may not increase the valuation of any  
3 property returned by the assessor ~~may not be increased~~to an amount that results in a  
4 cumulative increase of more than ~~twenty-five~~fifteen percent from the amount of the previous  
5 year's assessment without first giving the owner or the owner's agent reasonable notice ~~of and~~  
6 opportunity to be heard regarding the intention of the board to increase it. ~~The notice must state~~  
7 ~~the time when the board will be in session to act upon the matter and must be given by personal~~  
8 ~~notice served upon the owner or the owner's agent or by leaving a copy at the owner's~~  
9 ~~last known place of residence.~~All complaints and grievances of residents of the city must be  
10 heard and decided by the board and it may make corrections as appear to be just. Complaints  
11 by nonresidents with reference to the assessment of any real property and complaints by others  
12 with reference to any assessment made after the meeting of the city board of equalization must  
13 be heard and determined by the county board of equalization. The board shall comply with any  
14 requirement for notice of an assessment increase under section 57-02-53.

15 **SECTION 4. AMENDMENT.** Section 57-12-06 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **57-12-06. Requirements to be followed in equalizingCounty board of equalization -**  
18 **Equalizing between assessment districts and in equalizing between property**  
19 **owners between properties - Limitation on increase - Notice.**

- 20 1. The rules prescribed in section 57-12-05 apply when the board of county  
21 commissioners is equalizing assessments between the several assessment and taxing  
22 districts in the county provided that in such case, except as otherwise provided in  
23 subsection 2, the board may raise or lower the valuation of classes of property only so  
24 as to equalize the assessments as between districts. If the board orders an increase  
25 under this subsection, the board must comply with any requirement for notice of an  
26 assessment increase under section 57-02-53.
- 27 2. Notwithstanding any other provision of this section:
- 28 a. The county board of equalization after notice to the local board of equalization  
29 may reduce the assessment on any separate piece or parcel of real estate even  
30 though such property was assessed in a city or township having a local board of  
31 equalization; ~~provided, that the.~~ The county board of equalization does not have-

1 authority to may not reduce any such assessment unless the owner of the  
2 property or the person to whom it was assessed first appeals to the county board  
3 of equalization, either by appearing personally or by a representative before the  
4 board or by mail or other communication to the board, in which the owner's  
5 reasons for asking for the reduction are made known to the board. The  
6 proceedings of the board shall show the manner in which the appeal was made  
7 known to the board and the reasons for granting any reduction in any such  
8 assessment.

9 b. The county board of equalization after notice to the local board of equalization  
10 may increase the assessment on any separate piece or parcel of real property  
11 even though such property was assessed in a city or township having a local  
12 board of equalization; ~~provided, that the~~ The county board of equalization  
13 ~~does~~ may not have authority to increase any such assessment unless it first  
14 gives the valuation returned by the assessor or the local board of equalization to  
15 an amount that results in a cumulative increase of more than fifteen percent from  
16 the amount of the previous year's assessment without giving the owner or the  
17 owner's agent notice by mail to the owner of the property that such person may  
18 appear before the board on the date designated in the notice, which date must be  
19 at least five days after the mailing of the notice. The county auditor as clerk of the  
20 board shall send such notice to the person or persons concerned. If the board  
21 orders an increase under this subdivision, the board must comply with any  
22 requirement for notice of an assessment increase under section 57-02-53.

23 c. If the county board of equalization during the course of its equalization sessions  
24 determines that any property of any person has been listed and assessed in the  
25 wrong classification, it shall direct the county auditor to correct the listing so as to  
26 include such assessment in the correct classification.

27 3. The owner of any separate piece or parcel of real estate that has been assessed may  
28 appeal the assessment thereon to the state board of equalization as provided in  
29 section 57-13-04; provided, however, that such owner has first appealed the  
30 assessment to the local equalization board of the taxing district in which the property  
31 was assessed and to the county board of equalization of the county in which the

1 property was assessed. Notwithstanding this requirement, an owner of property which  
2 has been subjected to a new assessment authorized under section 57-14-08 may  
3 appeal the new assessment to the state board of equalization in the manner provided  
4 for in section 57-14-08.

5 **SECTION 5. AMENDMENT.** Subsection 2 of section 57-15-02.1 of the North Dakota  
6 Century Code is amended and reenacted as follows:

7 2. At least seven days before a public hearing on its property tax levy under this section,  
8 the governing body shall cause notice of the information required under subsection 1  
9 to be mailed to each property owner who received notice of an assessment increase  
10 for the taxable year under section ~~57-12-09~~57-02-53.

11 **SECTION 6. REPEAL.** Section 57-12-09 of the North Dakota Century Code is repealed.

12 **SECTION 7. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
13 December 31, 2015.