CHAPTER 57-05
ASSESSMENT OF RAILROAD PROPERTY

57-05-01. Railroad property to be assessed by state board of equalization.

The state board of equalization, at its annual meeting in August in each year, shall assess, at its actual value on the first day of January of that year, the operating property, including franchises, of each railroad operated in this state, including any electric or other street or interurban railway. If any railroad allows any portion of its railway to be used for any purpose other than the operation of a railroad, the portion of its railway while so used must be assessed in a manner provided for the assessment of other real property. To enable the board to make a correct valuation of property, it shall have access to all reports, estimates, and surveys of a line of railroad on file in the office of the public service commission and has power to summon and compel the attendance of witnesses, and to examine witnesses under oath in any matter relating to the value of the property. In fixing the value of any railroad, and of branch lines and sidetracks, the board must be governed by the rules prescribed for county and township assessors in valuing other property in this state. The board shall make a record of the value placed by it upon the property of the railroad, including the valuation per mile [1.61 kilometers] of main line and of branch lines and sidetracks. Railroad property held in trust by the public service commission for purposes of reorganization or reopening of the railway line is exempt from assessment as provided in this section.

57-05-01.1. Tentative assessment - Notice of hearing.

1. The tax commissioner, on or before July fifteenth of each year, shall ascertain and determine the value of, and a tentative assessment of, all operative property of any company required to be assessed under the provisions of this chapter. Such determination of value must be made for the guidance of the state board of equalization in assessing such property at its annual meeting in August. In making such determination of value, the tax commissioner must be governed by the rules laid down by this chapter.
2. The tax commissioner shall give ten days' notice by mail to each company, or its representative in North Dakota, of the amount of its tentative assessment, and shall appoint a time and place between the first Tuesday of August and the first day of September, at which each company is entitled to present evidence before the state board of equalization relating to the value of the property of the company.

57-05-02. Right of way not used for railroad purposes to be surveyed.

Where any railroad allows any portion of its roadway to be used for any purpose other than the operation of a railroad thereon, and the part so used is located on lands which can be described only by metes and bounds, the county auditor of the county in which such lands are located, or the state tax commissioner, may request such railroad company, in writing, to survey and plat such lands and file such plat with the county auditor. If the railroad company fails to cause such plat and survey to be made and filed within thirty days after such request, the county auditor or tax commissioner shall cause the said survey to be made and such land platted, and the expense thereof must be paid by such railroad company, and if not paid the same must be added to the tax against such lands and collected as other real estate taxes are collected.

57-05-03. Valuation apportioned according to mileage.

The board of equalization shall divide the valuation of each continuous line found and determined by it by the number of miles [kilometers] of such line in the state, and the result is the valuation per mile [1.61 kilometers] for which said line must be assessed. The value of each branch line must be determined in the same manner. Such valuation per mile [1.61 kilometers] must be apportioned to each county according to the number of miles [kilometers] of such line or branch line in the county.

57-05-04. Certification of mileage and valuation.

The state tax commissioner, at the time of certifying the equalized value of each organized county to the county auditor, shall certify the number of miles [kilometers] of each main line of railroad, and of the branch lines and sidetracks of railroad within the county, and the valuation per mile [1.61 kilometers] of the line and branch lines, if any, as determined by the state board of equalization, and the county auditor of the county shall apportion the valuation to the cities, townships, and districts through which the railroad and branch lines run according to the number of miles [kilometers] within the boundaries of each, as a part of the valuation of the city, township, or district for the purposes of taxation.

57-05-05. Maps of railroad right of way - Filing - Penalty.

Each railroad corporation doing business in this state shall file a map, within six months after location of its right of way, with the county auditor of each county in which such railroad or any part thereof may be located, showing:

1. The exact location of all rights of way and sidetracks, showing on which side of section and other lines its property is located in each assessment district in each county, owned or occupied by such railroad corporation;
2. The number of acres [hectares] in each parcel of land included by such railroad corporation in such county as a right of way; and
3. A description of any other property owned by said corporation in each assessment district in such county.

In subsequent years, said corporation need only file maps showing any changes that have been made since the report of the previous year. Any railroad corporation which violates any of the provisions of this section is guilty of an infraction and also is liable for the expense incurred as provided in section 57-05-10 in procuring the information in any manner other than that provided in this chapter, to be collected in a civil action in the name of the state.

57-05-06. County auditor to send maps to railroad corporation.

The county auditor of each county in the state shall mail to each railroad corporation doing business in that county, on or before the first day of March of each year, an accurate map of the county showing the boundaries of each assessment district.

57-05-07. Railroad shall file information with county auditor.

Every railroad corporation, on or before the fifteenth day of February in each year, shall file in the office of the county auditor of each county in the state in which said company's lines are located:

1. The name of the corporation.
2. The principal place of doing business.
3. The names and post-office addresses of the president, secretary, and treasurer of the corporation.

57-05-08. Report by railroad corporation to state tax commissioner.

Each railroad corporation required to be assessed under the provisions of this chapter annually shall, on or before May first of each year, under oath of the presiding or other chief executive officer, make and file in such form as the tax commissioner may prescribe a report containing the following information:

1. The name of the company;
2. The laws of what state or country organized, the date of original organization, the date of reorganization, consolidation, or merger, with specific reference to laws authorizing the same;
3. Location of its principal office;
4. The name of the place where its books, papers, and accounts are kept;
5. The name and post-office address of the president, secretary, treasurer, auditor, superintendent, general manager, and all other general officers;

6. The name and post-office address of the chief officer or managing agent of the company in North Dakota and of all other general officers residing in this state;
7. The total number of shares of capital stock;
8. The par value of the shares of the capital stock for the whole system, showing separately the amount authorized, amount issued, amount outstanding, and dividends paid thereon;
9. If such capital stock has no market value, the actual value on the dates and for the periods designated by the tax commissioner of this state;
10. The funded debt of the company for the whole system and a detailed statement of all series of bonds, debentures, or other securities, forming a part of the funded debt, at par value, with the date of issue, maturity, rate of interest, and amount of interest for the preceding year;
11. The market value of each series of funded debt securities for the whole system on the dates and for the periods designated by the tax commissioner, and if the whole or a part of such funded debt has no market value, then the actual value thereof for such dates and periods as the tax commissioner may specify;
12. Such general description of the operative and nonoperative real estate of the company in North Dakota as would be sufficient in a conveyance thereof, under a judicial decree, to vest in the grantee all title and interest in and to the said property;
13. A description of the personal property of the company;
14. The number of miles [kilometers] of each main line of railroad, the number of miles [kilometers] of each branch line and sidetracks thereof within the state of North Dakota;
15. The entire gross earnings of the company from operation, expenses of operation, net earnings and income from operation, and the income from other sources, for the whole system, and in North Dakota, for the years or period the tax commissioner may request or specify, not exceeding five years;
16. The location of the property of the company within this state by counties, municipalities, and districts, in such manner and in such detail as the tax commissioner shall prescribe; and
17. Such other facts and information as the tax commissioner may require in the form of returns prescribed by the tax commissioner or which the company may deem material upon the question of taxation of its property in this state.

57-05-09. Failure of railroad corporation to make reports to county auditor and state tax commissioner - Penalty.

Every railroad corporation which neglects or fails to comply with the provisions of this chapter is guilty of an infraction.

57-05-10. Enforcement of railroad corporation's liability.

In case any railroad company fails to make the reports provided for in this chapter, the county auditor or state tax commissioner, as the case may be, shall procure such information and shall report the expense in detail of procuring it to the state's attorney of the county or the attorney general of the state, who shall collect the expense in a civil action.

57-05-11. Information deemed confidential.

It is unlawful for the commissioner, or any person having an administrative duty under this chapter, to divulge or to make known in any manner the business affairs, operations, or information obtained by an investigation of records and equipment of any person or corporation visited or examined in the discharge of official duty, or the amount or sources of income, profits, losses, expenditures, or any particulars set forth or disclosed in any report, or to permit any report or copy or any book containing any abstract of particulars to be seen or examined by any person except as provided by law. Notwithstanding the provisions of this section, hearings held by the state board of equalization under chapter 57-05 or 57-13 must be open to the public under section 44-04-19. The commissioner may authorize examination of such reports by other

state officers and may furnish to the tax officials of another state, the multistate tax commission, or the United States any information contained in the reports and related schedules and documents filed under this chapter, and in the report of an audit or investigation made with respect to an audit, provided that that information be furnished solely for tax purposes. The multistate tax commission may make that information available to the tax officials of any other state and the United States for tax purposes. This section applies only to a class II and class III railroad as defined by the surface transportation board in 49 Code of Federal Regulations, part 1201.