

June 2010

Introduced by

1 A BILL for an Act to amend and reenact subsection 8 of section 57-02-08 of the North Dakota
2 Century Code, relating to exclusion of subsidized rental property from the property tax
3 exemption for property used for charitable or other public purposes; and to provide an effective
4 date.

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

6 **SECTION 1. AMENDMENT.** Subsection 8 of section 57-02-08 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 8. All buildings belonging to institutions of public charity, including public hospitals
9 and nursing homes licensed pursuant to section 23-16-01 under the control of
10 religious or charitable institutions, used wholly or in part for public charity, together
11 with the land actually occupied by such institutions not leased or otherwise used
12 with a view to profit, ~~and this.~~

13 a. The exemption provided by this subsection includes any dormitory, dwelling,
14 or residential-type structure, together with necessary land on which such
15 structure is located, owned by a religious or charitable organization
16 recognized as tax exempt under section 501(c)(3) of the United States
17 Internal Revenue Code which is occupied by members of said organization
18 who are subject to a religious vow of poverty and devote and donate
19 substantially all of their time to the religious or charitable activities of the
20 owner.

21 b. For purposes of this subsection and section 5 of article X of the Constitution
22 of North Dakota, property is not used wholly or in part for public charity or
23 charitable or other public purposes if that property is residential rental property
24 leased to tenants based on income restrictions that enable the owner to

1 receive a federal subsidy in any form, including an income tax credit, unless
2 the owner or operator also provides health care to tenants who have a
3 demonstrated need for it.

4 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
5 December 31, 2010.