

HOUSE BILL NO. 1325

Introduced by

Representatives Satrom, Becker, Cory, Kiefert, K. Koppelman

Senator Conley

1 A BILL ~~for an Act to create and enact a new section to chapter 57-02 of the North Dakota~~
2 ~~Century Code, relating to an optional residential property tax freeze for owners who are age~~
3 ~~sixty-five or older; and to provide an effective date.~~ for an Act to provide for a legislative
4 management study of the adequacy of property tax relief for retired individuals.

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

6 **SECTION 1.** ~~A new section to chapter 57-02 of the North Dakota Century Code is created~~
7 ~~and enacted as follows:~~

8 ~~— **Optional property valuation freeze for primary residence of owner who is age sixty-**~~
9 ~~**five or older.**~~

10 ~~— 1. An individual age sixty-five or older may file an irrevocable claim that freezes the true~~
11 ~~and full valuation most recently assessed against the primary residence owned and~~
12 ~~occupied by the individual. A property valuation freeze claimed under this section~~
13 ~~remains in effect until the first full taxable year after the claimant no longer owns and~~
14 ~~occupies the residence. A property tax freeze claimed under this section by one of the~~
15 ~~co-owners of the property is valid for the entire residence, regardless of the age of the~~
16 ~~other co-owners.~~

17 ~~— 2. For purposes of this section:~~

18 ~~— a. "Income" means income for the most recent complete taxable year from all~~
19 ~~sources, including the income of any dependent of the applicant and including~~
20 ~~any county, state, or federal public assistance benefits, social security, or other~~
21 ~~retirement benefits, but excluding any federal rent subsidy, any amount excluded~~
22 ~~from income by federal or state law with the exception of income from social~~
23 ~~security benefits, and medical expenses paid during the year by the applicant or~~

1 ~~the applicant's dependent which are not compensated by insurance or other~~
2 ~~means.~~

3 ~~b. "Primary residence" means a dwelling in this state owned and occupied by the~~
4 ~~applicant as that applicant's primary residence as of the assessment date of the~~
5 ~~taxable year and which is not exempt from property taxes as a farm residence.~~

6 ~~3. All forms necessary to effectuate this section must be prescribed, designed, and made~~
7 ~~available by the tax commissioner. The county directors of tax equalization shall make~~
8 ~~these forms available upon request.~~

9 ~~**SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after~~
10 ~~December 31, 2020.~~

11 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - ADEQUACY OF PROPERTY TAX**
12 **RELIEF FOR RETIRED INDIVIDUALS.** During the 2021-22 interim, the legislative management
13 shall consider studying the impact of property tax policies on retired individuals. The study must
14 include a review of the various approaches to providing property tax relief to retired individuals,
15 including a review of whether the relief provided by the homestead property tax credit under
16 section 57-02-08.1 is adequate and the feasibility of including local contribution requirements for
17 a portion of the credit. The legislative management shall report its findings and
18 recommendations, together with any legislation required to implement the recommendations, to
19 the sixty-eighth legislative assembly.