

## PROPERTY TAX EXEMPTIONS FOR NEW RESIDENTIAL PROPERTY

This memorandum provides information regarding property tax exemptions for new single-family residential property and builder-owned single-family residential property. The data contained in the tables below was provided by the North Dakota Association of Counties and the North Dakota League of Cities from survey responses submitted by city and county representatives.

### NEW SINGLE-FAMILY RESIDENTIAL PROPERTY TAX EXEMPTION

North Dakota Century Code Section 57-02-08(35) allows the governing body of the city, for property within city limits, or the governing body of the county, for property outside city limits, to approve by resolution a property tax exemption for up to \$150,000 of the true and full value of new single-family and condominium and townhouse residential property. The exemption does not apply to the land on which the property is situated. The exemption applies for the first 2 taxable years after the taxable year in which construction is completed and the residence is owned and occupied for the first time. The following tables list the counties and cities that have approved a resolution to allow new single-family residential property tax exemptions and the number of properties that have received the exemption in each city and county in the most recent tax year.

Cities that Have Approved a Resolution	Number of Properties Receiving the Exemption
Arthur	0
Beach	2
Burlington	0
Casselton <sup>1</sup>	1
Cavalier	0
Devils Lake	3
Drayton	1
Fargo	643
Grafton	4
Grand Forks	252
Great Bend	1
Hillsboro	1
Jamestown	6
Kindred	8
Mandan <sup>2</sup>	64
Mapleton	41
Milnor	1
Oakes <sup>3</sup>	2
Valley City	4
Wahpeton	7
West Fargo	611
Wyndmere	0

<sup>1</sup>The resolution approved by Casselton only allows an exemption for up to \$75,000 of true and full value.

<sup>2</sup>The resolution approved by Mandan only allows an exemption for up to \$75,000 of true and full value.

<sup>3</sup>The resolution approved by Oakes only allows an exemption for up to \$100,000 of true and full value.

Counties that Have Approved a Resolution	Number of Properties Receiving the Exemption
Barns	12
Eddy	0
Ransom	14
Burleigh <sup>1</sup>	1
Oliver	18
Nelson	0
Pembina	0
Richland	27
Sargent	1
Traill	9

<sup>1</sup>Burleigh County links the exemption to the North Dakota Housing Finance Agency's first-time homebuyer program.

### BUILDER-OWNED SINGLE-FAMILY RESIDENTIAL PROPERTY TAX EXEMPTION

Section 57-02-08(42) allows the governing body of the city, for property within city limits, or the governing body of the county, for property outside city limits, to approve by resolution an exemption for new single-family residential property. The exemption does not apply to the land on which the property is situated. The exemption applies for the taxable year in which construction began and the next 2 taxable years if the property remains owned by the builder, remains unoccupied, and special assessments and taxes on the land on which the residence is situated are not delinquent. A builder may receive an exemption for no more than 10 properties in each jurisdiction in a taxable year. The following tables list the counties and cities that have approved a resolution to allow builder-owned single-family residential property tax exemptions and the number of properties that have received the exemption in each city and county in the most recent tax year.

Cities that Have Approved a Resolution	Number of Properties Receiving the Exemption
Bottineau	0
Burlington	0
Devils Lake	0
Fargo	25
Grafton	0
Grand Forks	45
Jamestown	5
Kulm	1
Mapleton	0
Oakes <sup>1</sup>	1
Valley City	0
Wahpeton	4
West Fargo	36
Wyndmere	0

<sup>1</sup>The resolution approved by Oakes only allows an exemption for up to \$100,000 of true and full value.

Counties that Have Approved a Resolution	Number of Properties Receiving the Exemption
Barns	0
Eddy	1
Ransom	0
Cavalier	0
Kidder	1