

Introduced by

Legislative Management

(Taxation Committee)

1 A BILL for an Act to amend and reenact subsection 1 of section 57-02-01 of the North Dakota
2 Century Code, relating to the definition of agricultural property; and to provide an effective date.

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

4 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-02-01 of the North Dakota Century
5 Code is amended and reenacted as follows:

6 1. "Agricultural property" means platted or unplatted lands used for raising agricultural
7 crops or grazing farm animals, except lands platted and assessed as agricultural
8 property prior to March 30, 1981, shall continue to be assessed as agricultural
9 property until put to a use other than raising agricultural crops or grazing farm animals.

10 For purposes of this subsection, "raising agricultural crops" includes the storage of
11 harvested crops until the crop is delivered to the first end-point user. The existence of
12 any of the conditions in subdivision a may not be used as a basis to exclude property
13 used to raise agricultural crops from being classified as agricultural property.

14 Agricultural property includes land on which a greenhouse or other building is located
15 if the land is used for a nursery or other purpose associated with the operation of the
16 greenhouse. The time limitations contained in this section may not be construed to
17 prevent property that was assessed as other than agricultural property from being
18 assessed as agricultural property if the property otherwise qualifies under this
19 subsection.

20 a. Property platted on or after March 30, 1981, is not agricultural property when any
21 four of the following conditions exist:

22 (1) The land is platted by the owner.

23 (2) Public improvements, including sewer, water, or streets, are in place.

- 1 (3) Topsoil is removed or topography is disturbed to the extent that the property
2 cannot be used to ~~raise~~grow crops or graze farm animals.
- 3 (4) Property is zoned other than agricultural.
- 4 (5) Property has assumed an urban atmosphere because of adjacent
5 residential or commercial development on three or more sides.
- 6 (6) The parcel is less than ten acres [4.05 hectares] and not contiguous to
7 agricultural property.
- 8 (7) The property sells for more than four times the county average true and full
9 agricultural value.
- 10 b. Land that was assessed as agricultural property at the time the land was put to
11 use for extraction of oil, natural gas, or subsurface minerals as defined in section
12 38-12-01 must continue to be assessed as agricultural property if the remainder
13 of the surface owner's parcel of property on which the subsurface mineral activity
14 is occurring continues to qualify for assessment as agricultural property under
15 this subsection.

16 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
17 December 31, 2024.