

Introduced by

Senators Cook, Laffen, Schaible

Representatives Headland, Howe, Olson

1 A BILL for an Act to create and enact a new section to chapter 57-15 of the North Dakota
2 Century Code, relating to a consolidated taxpayer notice containing estimated property tax
3 levies and budget hearing information; to amend and reenact sections 57-02-53 and 57-15-02.1
4 of the North Dakota Century Code, relating to assessment increase notices and property tax
5 levy public hearings; and to provide an effective date.

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

7 **SECTION 1. AMENDMENT.** Section 57-02-53 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-02-53. Assessment increase notice to property owner.**

- 10 1. a. When any assessor has increased the true and full valuation of any lot or tract of
11 land and improvements to an amount that is an increase of three thousand
12 dollars or more and ten percent or more from the amount of the previous year's
13 assessment, the assessor shall deliver written notice of the amount of increase
14 and the amount of the previous year's assessment to the property owner at the
15 expense of the assessment district for which the assessor is employed. Delivery
16 of written notice to a property owner under this subdivision must be completed at
17 least fifteen days before the meeting of the local board of equalization.
- 18 b. If written notice by the assessor was not required under subdivision a and action
19 by the township, city, or county board of equalization or order of the state board
20 of equalization has increased the true and full valuation of any lot or tract of land
21 and improvements to an amount that results in a cumulative increase of three
22 thousand dollars or more and ten percent or more from the amount of the
23 previous year's assessment, written notice of the amount of increase and the
24 amount of the previous year's assessment must be delivered to the property

1 owner. The written notice under this subdivision must be mailed or delivered at
2 the expense of the township, city, or county that made the assessment increase
3 or at the expense of the township, city, or county that was ordered to make the
4 increase by the state board of equalization. Delivery of written notice to a
5 property owner under this subdivision must be completed within fifteen days after
6 the meeting of the township, city, or county board of equalization that made or
7 ordered the assessment increase and within thirty days after the meeting of the
8 state board of equalization, if the state board of equalization ordered the
9 assessment increase.

10 c. The tax commissioner shall prescribe suitable forms for written notices under this
11 subsection. The written notice under subdivision a must show the true and full
12 value of the property, including improvements, that the assessor determined for
13 the current year and for the previous year and must also show the date
14 prescribed by law for the meeting of the local board of equalization of the
15 assessment district in which the property is located and the meeting date of the
16 county board of equalization.

17 d. Delivery of written notice under this section must be by personal delivery to the
18 property owner, mail addressed to the property owner at the property owner's
19 last-known address, or electronic mail to the property owner directed with
20 verification of receipt to an electronic mail address at which the property owner
21 has consented to receive notice.

22 2. The form of notice prescribed by the tax commissioner must require a statement to
23 inform the taxpayer that an assessment increase does not mean property taxes on the
24 parcel will increase. ~~The notice must state that each taxing district must provide mailed~~
25 ~~notice of public hearing to the property owner if a greater property tax levy is being~~
26 ~~proposed than a zero increase number of mills. The notice may not contain an~~
27 ~~estimate of a tax increase resulting from the assessment increase.~~

28 3. ~~The assessor shall provide an electronic or printed list including the name and address~~
29 ~~of the addressee of each assessment increase notice required under subdivision a of~~
30 ~~subsection 1 and the officer responsible for providing notice under subdivision b of~~
31 ~~subsection 1 shall provide an electronic or printed list including the name and address~~

1 of the addressee of each assessment increase notice required under subdivision b of
2 subsection 1 to each city, county, school district, or city park district in which the
3 subject property is located, but a copy does not have to be provided to any such taxing
4 district that levied a property tax levy of less than one hundred thousand dollars for the
5 prior year.

6 **SECTION 2.** A new section to chapter 57-15 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Estimated property tax and budget hearing notice.**

- 9 1. On or before August first of each year the governing body of a taxing district shall
10 provide to the county treasurer in each county in which the taxing district has taxable
11 property the date, time, and location of the taxing district's public hearing on its
12 property tax levy. For purposes of this section, a taxing district means a city, county,
13 school district, or city park district but does not include any such taxing district that
14 levied a property tax levy of less than one hundred thousand dollars for the prior year
15 and sets a budget for the current year calling for a property tax levy of less than one
16 hundred thousand dollars.
- 17 2. By August twenty-fifth of each year the county treasurer shall provide a written notice
18 to the owner of each parcel of taxable property. The text of the notice must contain:
- 19 a. The date, time, and location of the public budget hearing for each of the taxing
20 districts in which the property owner's parcel is located;
- 21 b. The number of mills against the taxing district's current year taxable valuation,
22 excluding consideration of the taxable valuation of any property that was not
23 taxable in the prior year, which would provide the same amount of property tax
24 revenue as the property tax levy in the prior year;
- 25 c. A statement regarding whether the taxing district anticipates increasing the
26 property tax levy;
- 27 d. The additional number of mills the taxing district may require, calculated as the
28 number of mills exceeding the amount determined in subdivision b, if the taxing
29 district anticipates increasing its property tax levy; and
- 30 e. A statement that there will be an opportunity for citizens to present oral or written
31 comments regarding each taxing district's property tax levy.

- 1 3. Delivery of written notice under this section must be by personal delivery to the
2 property owner, mail addressed to the property owner at the property owner's
3 last-known address, or electronic mail to the property owner directed with verification
4 of receipt to an electronic mail address at which the property owner has consented to
5 receive notice.
- 6 4. The tax commissioner shall prescribe suitable forms for written notices under this
7 section.

8 **SECTION 3. AMENDMENT.** Section 57-15-02.1 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **57-15-02.1. Property tax levy increase notice and public hearing.**

11 Notwithstanding any other provision of law, a taxing district may not impose a property tax
12 levy in a greater number of mills than the zero increase number of mills, unless the taxing
13 district is in substantial compliance with this section.

- 14 1. ~~The governing body shall cause publication of notice in its official newspaper at least~~
15 ~~seven days before a public hearing on its property tax levy. A provide notice of a public~~
16 ~~hearing under this section in accordance with the requirements under section 2 of this~~
17 ~~Act. A public hearing under this section may not be scheduled to begin earlier than six~~
18 ~~p.m. The notice must have at least one-half inch [1.27 centimeters] white space-~~
19 ~~margin on all four sides and must be at least two columns wide by five inches [12.7-~~
20 ~~centimeters] high. The heading must be capitalized in boldface type of at least~~
21 ~~eighteen point stating "IMPORTANT NOTICE TO (name of taxing district)-~~
22 ~~TAXPAYERS". The proposed percentage increase must be printed in a boldface type-~~
23 ~~size no less than two points less than the heading, while the remaining portion of the~~
24 ~~advertisement must be printed in a type face size no less than four points less than the~~
25 ~~heading. The text of the notice must contain:~~
- 26 a. ~~The date, time, and place of the public hearing.~~
 - 27 b. ~~A statement that the public hearing will be held to consider increasing the~~
28 ~~property tax levy by a stated percentage, expressed as a percentage increase~~
29 ~~exceeding the zero increase number of mills.~~
 - 30 c. ~~A statement that there will be an opportunity for citizens to present oral or written~~
31 ~~comments regarding the property tax levy.~~

- 1 d. ~~Any other information the taxing district wishes to provide to inform taxpayers.~~
- 2 2. ~~At least seven days before a public hearing on its property tax levy under this section,~~
- 3 ~~the governing body shall cause notice of the information required under subsection 1-~~
- 4 ~~to be mailed to each property owner who received notice of an assessment increase-~~
- 5 ~~for the taxable year under section 57-02-53.~~
- 6 3-2. If the governing body of the taxing district does not make a final decision on imposing
- 7 a property tax levy exceeding the zero increase number of mills at the public hearing
- 8 required by this section, the governing body shall announce at that public hearing the
- 9 scheduled time and place of the next public meeting at which the governing body will
- 10 consider final adoption of a property tax levy exceeding the tax district's zero increase
- 11 number of mills.
- 12 4-3. For purposes of this section:
- 13 a. "New growth" means the taxable valuation of any property that was not taxable in
- 14 the prior year.
- 15 b. "Property tax levy" means the tax rate, expressed in mills, for all property taxes
- 16 levied by the taxing district.
- 17 c. "Taxing district" means a city, county, school district, or city park district but does
- 18 not include any such taxing district that levied a property tax levy of less than one
- 19 hundred thousand dollars for the prior year and sets a budget for the current year
- 20 calling for a property tax levy of less than one hundred thousand dollars.
- 21 d. "Zero increase number of mills" means the number of mills against the taxing
- 22 district's current year taxable valuation, excluding consideration of new growth,
- 23 which will provide the same amount of property tax revenue as the property tax
- 24 levy in the prior year.
- 25 5-4. For the taxable year 2013 only, for purposes of determining the zero increase number
- 26 of mills for a school district, the amount of property tax revenue from the property tax
- 27 levy in the 2012 taxable year must be recalculated by reducing the 2012 mill rate of
- 28 the school district by the lesser of:
- 29 a. Fifty mills; or
- 30 b. The 2012 general fund mill rate of the school district minus sixty mills.

- 1 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
- 2 December 31, 2017.