

**SENATE BILL NO. 2243**

Introduced by

Senators Cook, Urlacher, Wardner

Representatives Drovdal, Porter, Williams

1 A BILL for an Act to amend and reenact section 57-01-05 of the North Dakota Century Code,  
2 relating to an annual audit of property tax assessments and property tax exemption decisions.

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

4 **SECTION 1. AMENDMENT.** Section 57-01-05 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **57-01-05. State supervisor of assessments.** The state tax commissioner shall  
7 appoint a supervisor of assessments who must be a person trained and experienced in property  
8 appraisals and familiar with assessment and equalization procedures and techniques. The  
9 supervisor of assessments serves at the pleasure of the state tax commissioner and office  
10 space must be furnished to the supervisor of assessments by the commissioner.

11 The supervisor of assessments shall perform the following duties under the direction of  
12 the tax commissioner:

- 13 1. The supervisor of assessments shall advise and give the various assessors in the  
14 state the necessary instructions and directions as to their duties under the laws of  
15 this state, to the end that a uniform assessment of all real and personal property in  
16 this state will be attained.
- 17 2. The supervisor of assessments shall assist and instruct the various assessors in  
18 this state in the use of soil reconnaissance surveys, land classification methods, in  
19 the preparation and proper use of land maps and record cards, in the proper  
20 classification of real and personal property, and in the determination of proper  
21 standards of value.
- 22 3. The supervisor of assessments may require the attendance of groups of assessors  
23 at meetings called by the supervisor of assessments for the purpose of giving them  
24 further assistance and instruction as to their duties.

- 1           4.    The supervisor of assessments may make sales, market, and productivity studies  
2                    and other studies of property assessments in the various counties and cities of this  
3                    state for the purpose of properly advising the various assessors and directors of  
4                    tax equalization in the state and for the purpose of recommending to the tax  
5                    commissioner changes to be made by the state board of equalization in the  
6                    performance of the equalization powers and duties prescribed for it by section  
7                    57-13-04. In any sales, market, and productivity study made according to section  
8                    57-01-06, the county directors of tax equalization or city assessors, as the case  
9                    may be, are responsible for compiling a record of sales of property made in the  
10                   county or city, and in conjunction with the county commissioners shall analyze the  
11                   sales for the purpose of advising the state supervisors of assessments as to the  
12                   value of using the sales in any such study. The compilations must be forwarded to  
13                   the state supervisor of assessments with the findings of the county director of tax  
14                   equalization, city assessors, and the board of county commissioners. In any  
15                   county or city or any part thereof where the number of sales of properties is  
16                   insufficient for making a sales, market, and productivity study, the county director  
17                   of tax equalization or city assessor, as the case may be, in cooperation with the  
18                   state supervisor of assessments or that person's assistants shall make appraisals  
19                   of properties in order to determine the market value.
- 20           5.    The supervisor of assessments shall cooperate with North Dakota state university  
21                   in the development of a soil mapping program, a land classification system,  
22                   valuation studies, and other matters relating to the assessment of property and  
23                   shall provide for the use of such information and procedure at the earliest possible  
24                   date by the assessors of this state.
- 25           6.    The supervisor of assessments has general supervision of assessors and county  
26                   directors of tax equalization pertaining to methods and procedures of assessment  
27                   of all property and has authority to require all county directors of tax equalization to  
28                   do any act necessary to obtain uniform methods and procedures of assessment.
- 29           7.    The supervisor of assessments shall cause an annual random audit to be  
30                   performed of at least five percent of property assessments statewide in each  
31                   classification of property under section 57-02-27. The state supervisor of

1           assessments shall cause an annual random audit of at least five percent of  
2           property tax exemptions allowed or denied under subsection 15 of section  
3           57-02-08 and five percent of valuations under section 57-02-14 of real property  
4           exempt from taxation. Audits must focus on assessment and equalization  
5           decisions, accuracy, uniformity, and compliance with state law and directives and  
6           advice of the state supervisor of assessments. The state supervisor of  
7           assessments shall prepare results, findings, and recommendations of annual  
8           audits conducted under this subsection for presentation to the state board of  
9           equalization and to a committee designated by the legislative council.  
10          8. The supervisor of assessments shall perform such other duties relating to  
11          assessment and taxation of property as the tax commissioner directs.