

SENATE BILL NO. 2081

Introduced by

Finance and Taxation Committee

(At the request of the State Treasurer)

1 A BILL for an Act to amend and reenact subsection 2 of section 57-02-08.1 and subsection 3 of
2 section 57-37.1-08 of the North Dakota Century Code, relating to the procedures for the refund
3 of certain taxes.

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

5 **SECTION 1. AMENDMENT.** Subsection 2 of section 57-02-08.1 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 2. Any person sixty-five years of age or older, or any person who is permanently and
8 totally disabled as certified by a licensed physician approved by the local governing
9 body, with an income of fourteen thousand dollars or less per annum from all
10 sources, including the income of any dependent person, including any county,
11 state, or federal public assistance benefits, social security, or other retirement
12 benefits, but excluding any federal rent subsidy, and who rents living quarters is
13 eligible for refund for that part of the annual rent which is deemed by this
14 subsection to constitute the payment of property tax and which is further deemed
15 to represent a burdensome share of the person's income. For the purpose of this
16 subsection, twenty percent of the annual rent, exclusive of any federal rent subsidy
17 and of charges for any utilities, services, furniture, furnishings, or personal property
18 appliances furnished by the landlord as part of the rental agreement, whether ~~or~~
19 ~~not~~ expressly set out in the rental agreement, must be considered as payment
20 made for property tax. When any part of the twenty percent of the annual rent
21 exceeds four percent of the annual income of a qualified applicant, the applicant is
22 entitled to receive a refund from the state general fund for that amount in excess of
23 four percent of the person's annual income, but the refund may not be in excess of
24 two hundred forty dollars. If the calculation for the refund is less than five dollars, a

1 minimum of five dollars must be sent to the qualifying applicant. In no case may a
2 husband and wife who are living together both be entitled to the refund as provided
3 for in this subsection. Each application for refund under this subsection must be
4 made to the tax commissioner before the first day of June of each year by the
5 person claiming the refund, but the tax commissioner may grant an extension of
6 time to file an application for good cause. The tax commissioner shall ~~certify to the~~
7 ~~state treasurer the amount of the refund due, if any, and the state treasurer shall~~
8 issue the refund ~~from the state general fund~~ to the applicant. In no case may this
9 subsection apply to rents or fees paid by a person for any living quarters, including
10 a nursing home licensed pursuant to section 23-16-01, if that living quarter has
11 been declared exempt from property taxation and is not making a payment in lieu
12 of property taxes.

13 **SECTION 2. AMENDMENT.** Subsection 3 of section 57-37.1-08 of the North Dakota
14 Century Code is amended and reenacted as follows:

15 3. In case an overpayment of such tax has been made for the estate of a decedent,
16 such overpayment must be repaid out of any undistributed estate taxes in the
17 hands of the state treasurer upon an order of the tax commissioner. Any
18 overpayment to be repaid must bear interest at the Bank of North Dakota's money
19 market demand account rate on the date of the tax commissioner's order to the
20 state treasurer. Interest is to be computed from the time the tax was paid until the
21 overpayment is repaid. Any interest owed by the state must be paid by the state
22 treasurer from the general fund appropriation for miscellaneous refunds approved
23 by the legislative assembly. The state treasurer shall thereupon present and file
24 with the appropriate county treasurers and city auditors a verified claim of such
25 overpayment accompanied by a copy of the order of the tax commissioner for such
26 refund and the county treasurers and city auditors shall pay such claim to the state
27 treasurer.