

Sixty-third  
Legislative Assembly  
of North Dakota

## REENGROSSED HOUSE BILL NO. 1306

Introduced by

Representatives Thoreson, Brandenburg, Dockter, Karls, Guggisberg

Senator Carlisle

1 A BILL for an Act to amend and reenact section 57-02-08.8 of the North Dakota Century Code,  
2 relating to disabled veteran's eligibility for a homestead tax credit and a renter credit; and to  
3 provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-02-08.8 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **57-02-08.8. Property tax credit for disabled veterans - Certification - Distribution.**

- 8 1. A disabled veteran of the United States armed forces with an armed forces  
9 service-connected disability of fifty percent or greater or a disabled veteran who has  
10 an extra-schedular rating to include individual unemployability that brings the veteran's  
11 total disability rating to one hundred percent as determined by the department of  
12 veterans' affairs, who was discharged under honorable conditions or who has been  
13 retired from the armed forces of the United States, or the unremarried surviving  
14 spouse if the disabled veteran is deceased, is eligible for a credit applied against the  
15 first ~~five~~ninesix thousand ~~four~~seven hundred ~~fifty~~ dollars of taxable valuation of the  
16 fixtures, buildings, and improvements of the homestead owned and occupied by the  
17 disabled veteran or unremarried surviving spouse equal to the percentage of the  
18 disabled veteran's disability compensation rating for service-connected disabilities as  
19 certified by the department of veterans' affairs for the purpose of applying for a  
20 property tax exemption. An unremarried surviving spouse who is receiving department  
21 of veterans' affairs dependency and indemnity compensation receives a one hundred  
22 percent exemption as described in this subsection.
- 23 2. If two disabled veterans are married to each other and living together, their combined  
24 credits may not exceed one hundred percent of ~~five~~ninesix thousand ~~four~~seven.

1            ~~hundred~~ fifty dollars of taxable valuation of the fixtures, buildings, and improvements of  
2            the homestead. If a disabled veteran co-owns the homestead property with someone  
3            other than the disabled veteran's spouse, the credit is limited to that disabled veteran's  
4            interest in the fixtures, buildings, and improvements of the homestead, to a maximum  
5            amount calculated by multiplying ~~five~~ nine ~~six~~ thousand ~~four~~ seven ~~hundred~~ fifty dollars  
6            of taxable valuation by the disabled veteran's percentage of interest in the homestead  
7            property and multiplying the result by the applicant's certified disability percentage.

8            3. A disabled veteran or unremarried surviving spouse claiming a credit under this  
9            section for the first time shall file with the county auditor an affidavit showing the facts  
10           herein required, a description of the property, and a certificate from the United States  
11           department of veterans' affairs, or its successor, certifying to the amount of the  
12           disability. The affidavit and certificate must be open for public inspection. A person  
13           shall thereafter furnish to the assessor or other assessment officials, when requested  
14           to do so, any information which is believed will support the claim for credit for any  
15           subsequent year.

16           4. ~~a. A disabled veteran or unremarried surviving spouse who would qualify for a credit~~  
17           ~~under this section except for the fact that the individual rents living quarters is~~  
18           ~~eligible for a refund of a portion of the individual's annual rent under this~~  
19           ~~subsection.~~

20           ~~b. For the purpose of this subsection, when any part of twenty percent of the annual~~  
21           ~~rent exceeds two percent of the annual income of a qualified applicant, the~~  
22           ~~applicant is entitled to receive a refund from the state general fund for that~~  
23           ~~amount in excess of two percent of the applicant's annual income multiplied by~~  
24           ~~the applicant's certified disability percentage, but the refund may not be in excess~~  
25           ~~of four hundred dollars. If the calculation for the refund is less than five dollars, a~~  
26           ~~minimum of five dollars must be sent to the qualifying applicant.~~

27           ~~c. Individuals who reside together, as spouses or when one or more is a dependent~~  
28           ~~of another, are entitled to only one refund between or among them under this~~  
29           ~~subsection. Individuals who reside together in a rental unit, who are not spouses~~  
30           ~~or dependents, are each entitled to apply for a refund based on the rent paid by~~  
31           ~~that individual.~~

- 1 ~~d. Each application for refund under this subsection must be made to the tax-~~  
2 ~~commissioner before the first day of June of each year by the individual claiming~~  
3 ~~the refund. The tax commissioner may grant an extension of time to file an~~  
4 ~~application for good cause. The tax commissioner shall issue refunds to qualified~~  
5 ~~applicants.~~
- 6 ~~e. This subsection does not apply to rents or fees paid by an individual for any living~~  
7 ~~quarters, including a nursing home licensed under section 23-16-01, if those~~  
8 ~~living quarters are exempt from property taxation and the owner is not making a~~  
9 ~~payment in lieu of property taxes.~~
- 10 ~~f. An individual may not receive a refund under this section for a taxable year in~~  
11 ~~which that individual received an exemption under subsection 1.~~
- 12 ~~5.~~ For purposes of this section, and except as otherwise provided in this section,  
13 "homestead" has the meaning provided in section 47-18-01 except that it also applies  
14 to a person who otherwise qualifies under the provisions of this section whether the  
15 person is the head of the family and "income" has the meaning provided in section  
16 57-02-08.1.
- 17 ~~5.6.~~ This section does not reduce the liability of a person for special assessments levied  
18 upon property.
- 19 ~~6.7.~~ The board of county commissioners may cancel the portion of unpaid taxes that  
20 represents the credit calculated in accordance with this section for any year in which  
21 the qualifying owner has held title to the homestead property. Cancellation of taxes for  
22 any year before enactment of this section must be based on the law that was in effect  
23 for that tax year.
- 24 ~~7.8.~~ Before the first of March of each year, the county auditor of each county shall certify to  
25 the tax commissioner on forms prescribed by the tax commissioner the name and  
26 address of each person for whom the property tax credit for homesteads of disabled  
27 veterans was allowed for the preceding year, the amount of credit allowed, the total of  
28 the tax mill rates of all taxing districts, exclusive of any state mill rates, that was  
29 applied to other real estate in the taxing districts for the preceding year, and such other  
30 information as may be prescribed by the tax commissioner.

1 | ~~8.9.~~ On or before the first of June of each year, the tax commissioner shall audit the  
2 | certifications, make the required corrections, and certify to the state treasurer for  
3 | payment to each county the sum of the amounts computed by multiplying the credit  
4 | allowed for each homestead of a disabled veteran in the county by the total of the tax  
5 | mill rates, exclusive of any state mill rates that were applied to other real estate in the  
6 | taxing districts for the preceding year.

7 | ~~9.10.~~ The county treasurer upon receipt of the payment from the state treasurer shall  
8 | apportion and distribute the payment without delay to the county and to the local  
9 | taxing districts of the county on the basis on which the general real estate tax for the  
10 | preceding year is apportioned and distributed.

11 | ~~10.11.~~ On or before the first day of June of each year, the tax commissioner shall certify to  
12 | the state treasurer the amount computed by multiplying the property tax credit allowed  
13 | under this section for homesteads of disabled veterans in the state for the preceding  
14 | year by one mill for deposit in the state medical center fund.

15 | ~~11.12.~~ Supplemental certifications by the county auditor and by the tax commissioner and  
16 | supplemental payments by the state treasurer may be made after the dates prescribed  
17 | in this section to make such corrections as may be necessary because of errors or  
18 | because of approval of an application for abatement filed by a person because the  
19 | credit provided for the homestead of a disabled veteran was not allowed in whole or in  
20 | part.

21 | **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
22 | December 31, 2012, for ad valorem property taxes and for taxable years beginning after  
23 | December 31, 2013, for mobile home taxes.